

Revenue (1898) Department.

G.O., No. 1120

Confidential No. 1016

DATED 5th March 1898

[Despatch Abstract.]

*Regarding Pwp Political Dept, request
the Board to furnish certain information
regarding the finances of the Laccadive
islands and addressing the cost of India
on the subject of their future admin, secured*

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

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Revenue (1898) Department.

CURRENT No. 1784

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From

the Political Dept

Order No 1120 of 5th March 1898

Recorded

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5/3/98*

No. 141 Pass

Dated 25th Feb

Received 4th } March 1898

Registered 5th }

Enclosures 5

Spare copies. 1 (of Prop alone)

SUBJECT.

Requesting the Board of
Rev: to submit certain in-
formation regarding the finan-
ces of the Laccadive islands
and addressing the Govt of
India on the subject of their
future administration

Note

The papers are mostly
sent for information

*mm
5.3.98*

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Government {1897} of Madras. POLITICAL.

CONFIDENTIAL.

Recd.

Enclosures

Regd.

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G.O., No. 301, 4th May 1897.

MAY.

Laccadive Islands.

Forwarding to Mr. Winterbotham, for his suggestions and opinion, papers containing proposals for the future administration of the —.

CONFIDENTIAL.

GOVERNMENT OF MADRAS.

POLITICAL DEPARTMENT.

Read—again the following papers:—

G.O., Nos. 460-61, Political, dated 23rd July 1896.

,, No. 482, Political, dated 5th August 1896.

Read—also the following paper:—

Proceedings of the Board of Revenue (Land Revenue), No. 12/ Confdl. No. 5, dated 8th January 1897.

Read—the following paper:—

From J. HEWETSON, Esq., Acting Collector of Malabar, to the Secretary to the Commissioners of Land Revenue, dated Calicut, 18th July 1896, No. 10/Confdl.:—

I have the honour to reply to Board's Proceedings, Mis. No. 3506/Confdl. No. 64, dated 15th July 1895, calling on me to submit detailed proposals for the future administration of the Laccadives on the lines approved of by the Right Honourable the Secretary of State for India and to furnish information as to the laws proposed to be introduced into the islands. The scheme of administration is to be one that could be continued under the Raja's authority and is to be combined with arrangements for political supervision.

2. The principal question in connection with the four northern islands is the continuance or otherwise of the monopoly system. This question has been often discussed since the islands came under Government management. The first substitute proposed was an export duty, but in G.O., No. 292, Political, dated 4th May 1885, Government preferred the monopoly system, and in Board's Proceedings, No. 2782, dated 1st October 1885, embodied in G.O., No. 748, dated 28th October 1885, it was stated that the system of an export duty was condemned as generally impracticable. In the same Government Order Government approved of a tree tax payable in coir and based on a complete survey and regular land assessment. This system was ordered to be introduced as soon as the Collector could arrange to have it carried into effect.

3. Nothing seems to have been done on this Government Order, and the subject is next alluded to by Mr. Winterbotham in paragraph 14 of his report for fasli 1296 embodied in Board's Proceedings, No. 362, dated 13th April 1888. It is there pointed out that the fall in the price of coir had made it more difficult to abolish the monopoly system, and the Collector said he did not see his way to introducing the system approved by Government in the Government Order quoted above.

4. In his letter embodied in Board's Proceedings, No. 208, dated 20th March 1889, Mr. Winterbotham discussed the matter and pointed out that any improved system must commend itself to the islanders as advantageous and fair and that it could never pay to introduce changes which the islanders as a body would actively for passively resist. He also said that the islanders were "as determined as ever

to have nothing to say to" the Raja and would "oppose every change they think intended to facilitate his restoration to power." Finally, he said that when the principles of the Malabar settlement were decided on the same system of land tax or combined land and tree tax could be introduced into the islands. Unfortunately these principles are still unsettled. In another letter, embodied in Board's Proceedings, No. 401, dated 11th June 1889, Mr. Winterbotham repeated the same views, and in G.O., No. 452, Political, dated 4th September 1889, Government concurred that "any idea of abolishing the coir monopoly against the wishes of the northern islanders must for some time to come be abandoned."

5. In 1891, Mr. Dumergue visited the islands, and paragraph 54 of his report is as follows:—"The questions of continuing the monopoly and of the settlement have already been temporarily decided and it appears to me that any further discussion of them in this report is unnecessary as the islands are still merely under attachment. The two questions are, however, inseparably connected with each other, and at present the islanders are strongly opposed to any change. They are also resolved never again to submit themselves to the rule of Sultan Ali Raja of Canannore."

6. It has, however, now been decided that the islands are to be eventually handed back to the Raja, and it has been always pointed out that the monopoly system would not work in that case as the Raja could not afford to stand the loss in bad years, when he could obtain in the open market only the same or even less than the fixed price he had paid to the islanders.

7. During my recent visit I discussed the matter with the amin, elders and inhabitants of the four islands and they are all opposed to the idea of free trade and preferred the monopoly under Ali Raja to free trade under him. I must say that I think they are right. The coir has to be brought to the mainland, sold and exchanged for rice and other commodities and the return voyage made before the monsoon sets in. At present the islanders sell their coir to Government at a fixed price and are paid with only the delay necessitated by weighing the coir. Under a free trade system, they would have to find purchasers for themselves which would not be an easy task and in some years would be impossible. Moreover, if they found a purchaser, they would probably not get as good terms as they do from Government, for a private person having to lay out capital, to insure the coir, and to take the risks of a fall in the market would not be able to pay the price Government do. Under such a system the islanders would probably fall into the hands of some west coast Shylock and would be eternally in debt to him, the profits of a good year being entirely absorbed by the debts carried forward from a previous bad year. I should therefore personally prefer to see the monopoly system continued in spite of the economical objections to it.

8. It is the only system, in my opinion, under which the islanders can live. I would therefore continue it, binding Ali Raja to continue the prices at present paid by Government, and allowing him indulgences in the payment of peshkash in years when he makes a loss owing to the low price of coir, or the high price of rice, or both combined. I may add that my opinion as to the impossibility of the islanders effecting sales under a system of free trade has been formed after consulting with the firms who buy most of the Government coir.

9. If it is decided not to continue the monopoly, the only course will be to substitute a tree tax on all trees, Government or private, and so fixed as to realize the amount now derived from the monopoly. The present rate fixed on Pandaram trees should, I consider, continue; the rates and the periods of exemption vary so much that it would not be fair to fix a uniform tree tax, private trees paying the single rate and Pandaram trees the double rate. If this is done, the next party that visits the islands will have to count the trees and classify the soil and so introduce a rough system of settlement. The officer sent to inspect the islands might be attached for a few months to the special settlement officer to learn the principles on which the trees are classified on the coast.

10. On Minicoy, where the monopoly system has never been in force, I have no changes to propose except the possible abolition of the monopoly on the four

northern islands. Some of the smaller monopolies which bring in very little might also be abolished, such as those on cowries and tortoise shell.

11. *Present revenue of the islands.*—The taxes paid on the islands cannot readily be seen from the annual administration reports as the figures include the gross receipts from the coir brought to the mainland and also the payments for the coir, and as the produce of coir paid as rent for Pandaram trees and the price of monopoly coir are included in one total. Freight is paid to the boats that bring Pandaram coir and the amount of the freight must be deducted from the gross receipts or Pandaram trees. Appendix A shows the way in which I have dealt with the figures shown in the administration reports so as to arrive at the real condition of affairs for the ten faslis from 1295 to 1304. The figures show that Rs. $\frac{20,437}{22,328}$ has been derived from Pandaram coir in the ten years and that the net profits from the monopoly in the ten years have been only Rs. 27,604 or an annual average of Rs. 2,760—a result which has considerably surprised me. Appendix B shows that the annual revenue from the islands is only Rs. $\frac{13,726}{11,581}$.

12. Appendix C shows the present establishments which I practically propose to retain unaltered as will be seen later on. The total cost of the island establishments is Rs. $\frac{3,054}{2,910}$ a year, and allowing Rs. 1,014 a year for Sultan Musa Ali Raja's mainland establishment and expenses of inspection, the total cost of establishments would be Rs. $\frac{4,068}{3,924}$.

13. Now the original revenue paid by the Cannanore family was Rs. 15,000. Rs. 3,800 is taken as the assessment on the Cannanore town and suburbs (paragraph 12 of Mr. Logan's report embodied in G.O., No. 107, dated 17th February 1875), and Rs. 5,250 is deducted as compensation for the South Canara islands taken over by Government. It has been ruled that this latter amount is to be credited as follows:—Rs. 3,984 to the islands and Rs. 1,266 to the mainland account. This leaves Rs. 7,216 as the revenue due on the Cannanore Laccadives and Minicoy, but as half the profits are paid to Government, this amount has to be doubled and the cost of administration added (paragraph 5 of G.O., No. 569, dated 14th December 1881). In paragraph 12, I have fixed the cost of administration at Rs. $\frac{4,068}{3,924}$. The total revenue to be derived from the islands is therefore Rs. $\frac{18,500}{18,356}$ ($7,216 \times 2 + \frac{4,068}{3,924}$); but I have shown above that the actual revenue on the average of the last ten years is only Rs. $\frac{13,726}{11,581}$ or a deficit of nearly Rs. $\frac{5,000}{7,000}$. As a matter of fact, the deficit will be far more, for Rs. 1,014 a year will not cover the expenses of a court and clerks on the mainland and of the annual inspection. It is safe to say that the expenditure will reach Rs. 5,000, which would on the present taxation leave Rs. $\frac{8,700}{6,581}$ to be divided between the Cannanore family and Government. If Government took Rs. 7,216 as peshkash, the net profit to Ali Raja would be very small.

NOTE.—(1) The correct figures have been noted below Mr. Hewetson's figures.

(2) The figures quoted by Mr. Hewetson do not agree with those given in the island administration reports. If the latter figures are adopted the last two lines of paragraph 13 will have to be omitted, as the figures show that the Raja will get no profit at all.

(Signed) G. W. DANCE,
Ag. Collector.

28th July 1896.

14. I confess that I do not understand the present division of Rs. 5,250. In the original calculation it was taken for granted that the whole Rs. 5,250 should be credited to island account. If so, the island peshkash would be only Rs. 5,950 which doubled and allowing Rs. 5,000 for expenses of administration would require a total revenue of Rs. 16,900—a much nearer approach to financial equilibrium. I do not think that the islanders can reasonably be taxed at a materially higher rate than at present, and, if so, the figures show that it can never profit the Raja to take over the administration even supposing that the islanders submit peaceably to his rule which every Collector has recorded that they will not.

15. The present system of administration is as follows:—On each of the five islands an amin is appointed from among the inhabitants who exercise all powers in the island; in criminal cases he can only imprison for fifteen days or impose a fine of Rs. 15; in civil matters his powers are not limited, but in practice all important suits are reserved for the officer visiting the islands. It has hitherto been supposed that the inspecting officer was bound by the provisions of the Indian Penal Code and the Criminal Procedure Code, but now that the islands are not a part of British India, I presume that the codes are not in force. The amins are not necessarily able to read and write, but each is assisted by a gumastah and a couple of peons (in Minicoy there are three peons). The officer visiting the islands exercises full powers, subject to appeal to the Collector, if the inspecting officer is not the Collector. The South Canara islands are administered by an educated officer who exercises third-class powers, I believe, but I am afraid that the distances between the Malabar islands are too large to allow of such an appointment. Even if Minicoy was left out of account, Androth is 44 miles from Kalpeni, Kalpeni 35 miles from Agathi, Agathi 32 miles from Kavarathi and Kavarathi about 80 miles from Androth. An officer going in a sailing vessel from island to island would be considerably delayed, and in some cases would find his return impracticable. If such an officer could be appointed, it would be a great improvement and the amins could then be reduced to the status of village headmen on the mainland. Such an officer if appointed should live at Androth in the monsoon and tour round the other islands in the fair weather. As it is, I consider that the only practical system is to continue the present system of appointing a native of each island as amin, but I would insist on all amins being literate in future. Their criminal powers I would leave as at present; fortunately crime is at present and always has been very light on the islands. In civil suits too I think that their powers should be limited to suits not exceeding, say, Rs. 250 in value. Sultan Musa Ali Raja will have to establish a court in Cannanore for the trial of all criminal and civil cases not within the cognizance of the amins or which are withdrawn from them owing to their being related to one of the parties in the case or for other reasons. The decisions of the court should, I think in certain cases, be subject to the confirmation of the Collector, as political officer; sentences of death should certainly be so, and all cases where the Raja escheats property should be reported to the Collector for confirmation. The way in which the Cannanore family escheated property was one of the great grievances of the islanders twenty years ago and precautions must be taken to see that such grievances do not again arise. The officer presiding over the Cannanore court should be bound to inspect the islands every year and to decide on each island all suits arising thereon. It would be hopeless to get parties and witnesses to attend all at the same time at Cannanore.

16. If this scheme is approved, I would introduce no laws into the islands at present; I would simply draw up a simple set of rules on the model of the Agency rules or of Sir Charles Bernard's rules for the guidance of civil officers when Upper Burma was annexed. Such rules should include the orders at present in force; a period of limitation for civil suits should be introduced and the customary laws of the islands maintained. The present system of inheritance is very complicated, as there are two kinds of property, one descending through the female line under the Marumakkatayam law, and the other being divided according to the ordinary rules of Muhammadan law. The amin should continue to decide all cases, civil and criminal, with the assistance of two *karnavars* or assessors, their opinions being recorded in writing, but not being necessarily binding on the amin. The Collector, as political officer, would also have to visit the islands occasionally in person or by one of his assistants.

17. A steamer will still, I think, be necessary for the west coast; the Canara islands will have to be inspected, and the Raja's Judge and the Collector, as political officer, will have to inspect the Malabar islands.

18. I must apologise for the great delay that has occurred in sending in this report, but the Board knows that this has been a busy year in Malabar, and I have also been trying to get proposals from Sultan Musa Ali Raja, but he insists that the present system is quite sufficient and apparently expects the islands to be handed over to him at once.

APPENDIX A.

STATEMENT showing the receipts from coir imported from the four Northern Laccadives from faslis 1295 to 1304.

Fasli.	Gross receipt as shown in the annual administration reports	Pandaram coir.		Net receipts (cols. 2-4).	Gross expenses as shown in the annual administration reports	Deduct freight.	Net expenses (cols. 6-7).	Net total monopoly receipts (cols. 5-8).	Net receipts in Pandaram coir (cols. 4-7).
		Quantity.	Value.						
1	2	3	4	5	6	7	8	9	10
	RS.	CANDIES.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
1295	39,422	50	1,546	37,876	49,575	100	49,475	11,599	1,446
1296	32,298	61	1,723	30,575	28,685	123	28,562	2,013	1,600
1297	26,005	66	1,766	24,239	33,656	126	33,530	9,291	1,640
1298	67,351	70	2,144	65,207	29,070	140	28,930	36,277	2,004
1299	55,515	79	3,081	52,434	36,158	155	36,003	16,461	2,926
1300	43,826	85	2,708	41,118	35,498	169	35,329	5,789	2,539
1301	41,138	89	2,984	38,154	35,037	178	34,859	3,295	2,806
1302	33,660	79	2,409	31,251	43,147	159	42,988	11,737	2,250
1303	25,163	29	878	24,285	30,453	59	30,394	6,109	819
1304	38,652	166	4,629	34,023	31,849	331	31,518	2,505	4,298
Total ..	4,03,060	774	23,868	3,79,192	3,53,128	1,540	3,51,588	27,604	22,328

APPENDIX B.

REAL revenue from the four northern islands of the Laccadive group and Minicoy from faslis 1295 to 1304.

Fasli.	Cowries.	Tortoise shell.	Cocoanuts.	Rent in money.	Rent in coir.	Monopoly coir.	Fines.	Total.
1	2	3	4	5	6	7	8	9
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
1295	575	16	37	3,867	1,446	11,599	188	6,620
1296	29	..	524	2,710	1,600	2,013	81	6,557
1297	133	13	..	3,061	1,640	9,291	356	4,088
1298	18	57	2	2,705	2,004	36,277	194	41,257
1299	232	56	..	2,662	2,926	16,461	659	22,996
1300	121	32	..	3,309	2,539	5,789	295	12,085
1301	353	5	..	2,827	2,806	3,295	146	9,432
1302	890	..	39	1,823	2,250	11,737	96	6,639
1303	431	..	..	1,308	819	6,109	135	3,416
1304	785	..	160	1,541	4,298	2,505	115	9,404
Total ..	2,417	179	762	25,813	22,328	27,604	2,265	81,368
							2,312	81,415

Fasli.	Rent in money.	Fines.	Poll-tax.	Cocoanuts from Pandaram lands.	Tax on masula boats.	Tax on vessels going to Bengal.	Total.	Grand total.
	10	11	12	13	14	15	16	17
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
1295	905	47	198	..	..	..	1,150	5,470
1296	346	15	70	3,418	..	..	952	5,621
1297	1,045	148	11	5,638	..	..	3,779	10,806
1298	1,335	..	582	902	..	..	6,842	2,754
1299	1,108	1,171	768	1,820	142	300	3,119	44,376
1300	1,082	21	52	1,045	34	62	5,009	28,005
1301	673	..	821	714	20	138	2,296	14,381
1302	1,278	16	..	5,324	..	..	2,366	11,798
1303	945	5	323	490	..	..	6,618	21
1304	721	17	302	625	..	..	1,763	1,653
Total ..	9,438	1,440	3,127	19,976	196	500	34,677	1,16,045
			2,848				34,398	1,15,813

REMARKS.—Columns 10 to 16 in the statement relate to the island of Minicoy alone.

APPENDIX C.

LIST of establishment entertained on the islands as well as on the mainland.

Minicoy.								Per mensem.		
								RS.	A.	P.
Amin	..	..	..	..	..	..	..	25	0	0
Gumastah and schoolmaster	..	..	..	..	..	..	..	25	0	0
Three peons @ Rs. 4-8-0 each	..	..	..	..	..	..	..	13	8	0
Total ..	..	..	..	..	..	..	..	63	8	0

Androth.								Per mensem.		
Amin	..	..	..	..	..	..	..	20	0	0
Gumastah and schoolmaster	..	..	..	..	..	..	..	25	0	0
Two peons @ Rs. 4 each	..	..	..	..	..	..	..	8	0	0
Total ..	..	..	..	..	..	..	..	53	0	0

Kalpeni.								Per mensem.		
Amin	..	..	..	..	..	..	..	20	0	0
Gumastah	..	..	..	..	..	..	..	7	0	0
Schoolmaster	..	..	..	..	..	..	..	15	0	0
Two peons @ Rs. 4 each	..	..	..	..	..	..	..	8	0	0
Total ..	..	..	..	..	..	..	..	50	0	0

Agathi.								Per mensem.		
Amin	..	..	..	..	..	..	..	20	0	0
Gumastah and schoolmaster	..	..	..	..	..	..	..	10	0	0
Two peons @ Rs. 4 each	..	..	..	..	..	..	..	8	0	0
Total ..	..	..	..	..	..	..	..	38	0	0

Kavarathi, same as Agathi.								Per mensem.		
Clerk attached to the Collector	..	..	..	..	..	..	..	20	0	0
Do. do. Sea Customs Superintendent	..	..	..	..	..	..	..	15	0	0
Four peons @ Rs. 6 each	..	..	..	..	..	..	..	24	0	0
Total ..	..	..	..	..	..	..	..	59	0	0

Mainland.								Per mensem.		
Total expenditure ..	..	..	..	..	..	..	..	301	8	0

Resolution—No. 12/Confdl. No. 5, dated 8th January 1897.

The Collector of Malabar submits the report called for in G.O., No. 411, Political, dated 26th June 1895, regarding the system of administration and the laws to be introduced in the Laccadive Islands of Malabar and in Minicoy in view of the contemplated restoration of Sultan Ali Raja's authority over them.

2. A printed précis of the former correspondence, giving a history of events down to 10th August 1889, was received with G.O., No. 544, Political, dated 12th September 1892. An abstract of the later correspondence has now been prepared, and a printed copy of the same accompanies these proceedings.

3. The first question considered by the Collector is the system of revenue administration. The existing system, as compared with that followed during the administration of the islands by the Cannanore family, is briefly as follows:—

On the four northern islands of Agathi, Kavarathi, Androth and Kalpeni, the sources of revenue during the native administration were—

(1) The monopolies of coir, cowries, tortoise shell, cocoanuts, holothuria, ambergris, salt and tobacco;

- (2) Export duty (in kind) on coir and import duty (in kind) on rice; and
 (3) Confiscations, escheats, nazeranas, pilot customs and fines for criminal offences and for evasions of fiscal restrictions.

Besides these, there were cesses levied by the mukhyastuns, the fiscal agents of the Raja, and by the Kaji. The cocoanut, salt and tobacco monopolies, and the export and import duties have now been abolished, the pilot customs and nazeranas have been given up, and the levy of cesses put a stop to. The only monopolies recognised are those of coir, cowries and tortoise shell, and of these the coir monopoly is the most important. The administration of this monopoly by the Raja in former years was very oppressive. The price paid in 1765 per candy of coir was estimated at Rs. 30, payable in rice at a fixed rate of Rs. $2\frac{1}{4}$ per muda (50 Calicut seers). The price paid in 1832 had dwindled down to about Rs. 6-6-0 per candy. Moreover, the islanders were subjected to considerable hardships and losses because—

- (1) The coir was dried and beaten at Cannanore to reduce weight;
- (2) Deductions were made on account of old debts which were calculated according to the inclination of the Raja's employés;
- (3) The Raja's agents exacted presents; and
- (4) There was considerable delay in settling the accounts and allowing the vessels to return to the islands.

The islanders, while they are now free from the above difficulties, enjoy better prices for the coir as shown below:—

1st sort per candy of 560 lb. = Rs. 6 + 8 mudas of rice at Rs. 2 per muda.
 2nd " " " = " 4 + 7 " " "
 3rd " " " = " 4 + 5 " " "

These rates are very nearly the same as those prevailing in the South Canara Islands, which are British territory. When the price of coir was high and that of rice low, the profits from the monopoly were considerable; but of late years the price of coir has fallen and that of rice risen as will be seen from the figures noted below. The result has been a falling off in the profits of the monopoly.

Year.	Quantity of imports of coir.	Average price realised per candy of coir.	Average price of rice in seers of 80 tolas per rupee.
	CANDIES.	RS. A. P.	
1285	569	43 10 11	13-1
1286-7	2,456	39 15 2	10-3
1288	1,239	45 15 0	9-3
1289	1,339	39 0 11	9-6
1290	1,374	31 14 11	11-8
1291	2,039	30 5 5	14-5
1292	1,472	29 5 8	15-3
1293	1,460	35 10 1	15-3
1294	1,586	42 0 0	14-8
1294	1,586	32 7 1	13-1
Average for 10 years ..	1,353-4	36 1 0	12-7
1295	1,624	30 14 8	13-0
1296	1,166	30 5 9	14-6
1297	1,393	29 6 4	15-1
1298	1,261	31 0 9	13-8
1299	1,380	39 2 3	12-1
1300	1,433	31 13 2	11-4
1301	1,358	33 10 7	11-2
1302	1,620	33 0 6	10-4
1303	1,281	30 11 8	11-3
1304	1,363	28 14 2	11-7
Average for 10 years ..	1388-9	31 9 0	12-4

All waste land in the islands originally formed the property of the community. Rights of private property attached to the trees and not to the soil. The Raja asserted proprietary right to waste land and this was an important grievance of the islanders. The lands which the Raja thus claimed as his own are being treated

now as "crown lands" and granted to the islanders on improving leases (cowles), some on money-rent and some on rent in the shape of coir. The income from State lands and the receipts from the coir monopoly cover almost the entire revenues of the islands, the former representing about three-fourths and the latter one-fourth of the total receipts.

In Minicoy, all land forms the property of the community, but is managed for the community by the State. While a portion of the land is rented to chief men on the island, the remainder is managed directly by the State. On the latter class of land the cocoanut trees grow spontaneously, and the people collect the nuts for Government, taking a share of the collected nuts. With the exception of a few men, who own trees on the rented lands and maintain boats, the other inhabitants are merely tree-climbers or sailors who serve the tree and boat owners. Thus a majority of the population neither own land nor trees, while rights of private property in the soil are unknown. An attempt made a few years ago to grant waste lands on cowle had to be given up. Most of the State revenue consists of the sale-proceeds of cocoanuts. Next comes the rent of lands leased out to the chief men and next a poll-tax in sugar and coir. The poll-tax in sugar is levied from toddy-drawers; that in coir is paid by the other inhabitants, the families of the chief men, one married female in each house and all unmarried adults being excepted, at the rate of 20 lb. per male and 5 lb. per female. Taxes once levied on fishing boats and on trading vessels have now been given up. With this exception, the system of revenue administration of this island remains unchanged.

4. The Collector suggests practically that the system of revenue administration now prevailing in the several islands should be continued. He points out as regards the four northern islands that the monopoly is the system that commands the good-will of the islanders and that under it they prosper. For a people who are dependent on the mainland for rice, whose communication with the mainland is interrupted for a large portion of the year, and with whom it is essential to secure the sale of a season's manufacture of coir before a stock of rice for the next season can be obtained, a system which provides a ready and reasonable market for the one and a ready supply of the other is obviously the best. Successive officers, who have visited the islands, have held that the system of monopoly is the one best suited for the islands, with this reservation, however, that it is so only when administered by the British Government; but the Board sees no reason to doubt that the system which is believed to work best under the British Government will also prove to be the best under the Raja's administration, provided that it is carefully supervised by the Collector.

5. The Collector next deals with the present financial condition of the islands. He has had statements prepared showing for a period of ten years (1) the profits of the coir monopoly and (2) the profits of the coir and other monopolies and the island revenues from other sources.

Heads of revenue.	Amount.
	RS.
Coir monopoly	2,800
Other monopolies	300
State lands	7,800
Other sources	700
Total	11,600

The statements, as revised by the Board, show that the average annual income from all sources in round figures is Rs. 11,600. Against this has to be set off Rs. 3,000, the cost of the present island establishment, Rs. 700, the cost of an establishment now maintained on the mainland, and Rs. 1,300, the probable cost (as estimated by the Collector) of contingencies, of a court to be established on the mainland and of the annual inspection of the islands. The net gain from the administration of the islands, if the Raja continues the present system of administration, will therefore be Rs. 6,600 or Rs. 4,783 less than the tribute payable under present arrangements to the British Government. The Collector takes Rs. 11,200 as the proportionate peshkash on the islands; but this has been fixed in G.O., No. 54, Political, dated 30th January 1894, at Rs. 11,383. Again in determining the net results of the island administration, the Collector takes credit for Rs. 3,984, being a portion of compensation payable to the Raja on account of the South Canara Islands. This amount should, the Board considers, be kept distinct in the above calculation,

as it appertains to a different group of islands, though it is paid by way of a reduction of the peshkash due by the Cannanore Raja on account of the Laccadive Islands. In the above circumstances, if the islands are to be restored to the Raja, either the peshkash payable to Government must be reduced, or the Raja must be allowed to increase his demands on the islanders. The peshkash was originally fixed at one-half of the net income from the islands. To hold the Raja responsible for the full stipulated peshkash of Rs. 11,383, the islands must yield Rs. $2 \times 11,383 + \text{Rs. } 5,000$ (the cost of management) or Rs. 28,000 against Rs. 11,600, the present average revenue. To reduce the monopoly prices for coir is not possible. The rates are similar to those prevailing in the British islands attached to South Canara, and the islanders, who after losing heavily in the early days of the monopoly are now gaining by it, are likely to oppose stoutly any diminution in the prices paid to them. To raise the rent of State lands is not possible as they have been granted on cowles on specific terms. No doubt the rents will increase at the periodical tree-counting which the cowles provide for. But the increase can only accrue slowly and there are no data by which the figures can now be estimated. As the income of the islands has fallen off under the British administration, and as, in the interest of good government, the Raja cannot be allowed to raise it at his own free will, the Board considers that a remission of the peshkash should be made from year to year—

* Average annual income	RS. 11,600
Average annual cost of establishment and contingencies (in round numbers) as reported in paragraph 12 of the Collector's letter	3,900
Net income	7,700
Half of above	3,850

one-half of the net revenue of each year being collected subject to a minimum of Rs. 3,850,* being a moiety of the net revenue under the British administration. The Raja's administration will be more costly than the British administration, and his profits are likely to be less than the minimum proposed; but the Board does not consider that any further remission should be allowed if, owing to the maladministration, it is found necessary to insist on costly safeguards to ensure good government. The Board thinks that the proposed remission should be annual for the price of coir may rise or the system of administration may have to be eventually altered. It may be noted that the Government of 1871 recognised the principle of reducing the peshkash if improved administration involved loss.

6. Another condition essential for the Raja's management of the islands on the present system is that he should be effectually assisted by the British Government in maintaining the monopoly. The system can be worked only if the produce of the islands is brought always to one and the same port on the mainland. During the previous administration of the Raja, the disaffected islanders carried their goods to Calicut and other ports instead of to Cannanore and sold them on their own account. The Raja sought the aid of the Government of Madras, but the Government declined to place any restriction on the importation of the island produce. It held that the treaty of 1796 with the Cannanore family did not sanction the monopoly. On another occasion it pointed out that there was an absence of legal power to enforce the prohibition. On a subsequent occasion, it was prepared, on the condition of the Raja reforming his administration, to accept his proposal to introduce a system of port clearances on the islands and to refuse admission to British ports to vessels not provided with genuine port clearances.

7. The next point referred to by the Collector is the system of judicial administration. In paragraphs 15 and 16 of his letter, he describes the present system and recommends that, with the limitations suggested by him, it should be continued by the Raja. The Board approves of the Collector's proposals. It will be seen from the correspondence printed in G.O., No. 262, Political, dated 2nd May 1893, that it was decided, on due consideration, to leave the administration of the criminal law alone in the hands of amins subject to a set of simple rules for their guidance. A similar set of rules for the administration of civil justice can be framed and issued by the Collector after approval by Government.

8. As regards political supervision, the Collector will of course be the political officer, and he will either personally or by one of his assistants visit the islands periodically to see (1) if the monopoly system of revenue administration is properly worked, (2) that the administration of justice is satisfactory, and (3) that the people generally are not oppressed in any way.

9. In paragraph 17 of his letter, the Collector refers to the provision of a steamer for the periodical inspection of the islands. It will be seen from G.O., No. 51, Political, dated 7th March 1895, that the consideration of the question has been deferred pending final orders regarding the future administration of the islands.

10. The Board takes this opportunity to bring to the notice of Government certain points regarding the arrears of peshkash on the Raja's mainland property. According to the statement in Board's Proceedings No. 2018, Mis., dated 1st May 1896, the balance amounted at the end of fasli 1304 to Rs. 82,823-0-5 under peshkash and Rs. 29,753-6-7 under interest, or Rs. 1,12,576-7-0 in all. The total amount that had been calculated in G.O., No. 203, Political, dated 17th March 1896, was Rs. 79,928-14-4; but, in the Board's Proceedings quoted above, the figures were revised with the result that the amount was raised to Rs. 1,12,576-7-0; the increase of Rs. 32,647-8-8 was due chiefly to the charge of interest on the arrears owing to the withdrawal of the surplus of the island administration which had been originally credited towards these arrears. So far back as 1853-54, the Court of Directors decided that the peshkash due in respect of the islands should be treated as a tribute, and that due on the mainland property as an arrear of land revenue and recovered accordingly. This distinction should have been recognised and acted on when the islands were sequestered in 1875. On the contrary the entire peshkash was treated as a charge against the island administration until the beginning of 1896, when the Government decided that the accounts of the peshkash arrears of the islands and those of the property on the mainland should be kept distinct, and that the payment of the accumulated arrears on account of the mainland property should be enforced under Act II of 1864. If the payment of the mainland arrears had been enforced from year to year, there would be no cause for complaint; but to have let the demands fall into arrears for twenty years and then to enforce their payment in one lump sum, with interest for back years, may justly be felt by the Raja as a hardship.

Further no interest has been allowed on the surplus of the island administration which all along formed part of the Imperial Treasury balances, nor is interest allowed on the surplus of Rs. 16,943-15-4 at the credit of the island administration. If interest on this account be allowed, it will increase the island surplus. Under existing orders no interest is to be charged on the tribute due on the islands whenever the sum falls into arrears. Nor is it ordinarily necessary to add interest to money held in deposit; but the Board considers that, when a considerable sum is charged as interest on the arrears of peshkash of the Raja's property on the mainland, it is but fair that interest should be allowed on the surplus of the island administration, so as to set the one off against the other. An alternative measure would be to charge no interest in either case.

The Board does not consider it likely that the Raja will pay up the arrears due on the mainland property unless resort be had to coercive measures. Before such measures are actually resorted to, the Board would submit, for the consideration of Government, whether it will not be equitable to forego the whole of the amount charged as interest on the mainland arrears, viz., Rs. 29,753-6-7.

(True Copies and Extract.)

(Signed)

R. C. C. CARR,
Secretary.

To the Chief Secretary to Government, Political Department.

Copy to the Revenue Department.

Collector of Malabar.

ENCLOSURE.

Continuation of the Printed Précis, dated 10th August 1889.

G.O., No. 452, Political, dated 4th September 1889, in Board's Proceedings, No. 6070, Mis., dated 23rd September 1892.

G.O., No. 452, Political, dated 4th September 1889, in Board's Proceedings, No. 6070, Mis., dated 23rd September 1892.

159. At the same time, the impracticability of devising any scheme of administration, which, with intentions however good, the Raja would be able to carry out, was pointed out to the Government of India with the request that, as the necessary preliminary to the introduction of

an improved system, the islands might be permanently transferred to the British rule, a malikhana calculated at liberal rates being allowed to the Raja. As instances of the difficulties inseparable from existing arrangements were noticed (1) the difficulty in abolishing the monopoly system which was all along condemned and (2) the difficulty in introducing the alternative system of a tree-tax owing to a large fall in the price of coir, a difficulty which could have been faced if the islands had all along been subject to the British rule. In Minicoy, certain elementary reforms, such as the clearance of jungles, the opening out of fresh careers for the sailor population and the breaking down of the monopoly under which the food supply was entirely dependent on an individual resident, were necessary; but they could not be carried out so long as the fiction of the Raja's proprietary rights had to be maintained and the Government, as the trustee of the Raja's interests, had to raise as much revenue as the Raja ever did, for the people were discontented with an administration which differed from its predecessor only in interfering with their ancient customs.

160. *Disturbances in Androth.*—An unruly faction had disturbed the peace and defied the amin's authority. Mr. Twigg visited the islands, punished a few of the offenders and brought back some to the mainland to undergo imprisonment.

161. *Administration of criminal justice.*—The above punishments led to an examination of the legal position as regards the criminal administration of the islands. The islands had been declared a scheduled tract and the Code of Criminal Procedure was applicable; but the District Magistrate pointed out that the provisions of this law could not be made to fit in with any practicable scheme of administering the islands. In practice, he said, it had been assumed that the islands were beyond the operation of the British India Acts. The amin magistrates exercised jurisdiction by virtue of a Government order and were guided by a set of simple rules framed under the instructions of Government and conceived in the spirit of Indian criminal law. It was desirable that the amins should continue to exercise the same jurisdiction and powers under the orders of Government and in accordance with the custom of the islands and that the Criminal Procedure Code and certain other enactments should be declared inapplicable.

162. The inclusion of the Laccadive Islands in the schedule to Act XIV of 1874 implied that the islands formed part of British India. The discrepancy between this view and that adopted by the Government of India in 1876 was pointed out to that Government, and pending orders the questions raised regarding the criminal administration were held in abeyance by the Local Government.

163. *Future management of the islands.*—The Government of India accepted the Local Government's suggestion to declare the islands to be British territory and submitted it for the sanction of the Secretary of State. At the same time, the Local Government was asked to consider what provision should be made for the Raja either by way of an annual malikhana or the payment of a lump sum.

157. *The Government agrees with Mr. Winterbotham.*—The Government considered that any idea of abolishing the coir monopoly against the wishes of the islanders must for some time to come be abandoned.

158. Orders in regard to Minicoy were deferred pending the return of the Collector from the island, the inhabitants of which had resisted the amin's authority and disobeyed the orders in respect to the clearance of the jungle.

164. The Secretary of State, in reply, forwarded a memorandum drawn up by its legal adviser who held that, before the Government could exercise administrative rights in the islands, they must either obtain a cession from the Bibi of her title to the islands, or by some Act of State publicly annex the islands.

165. The Local Government submitted a reply to the memorandum of the legal adviser to the Secretary of State, and hoped that it would remove any doubts as to the possession by the British Government of sovereign rights over the islands. At the same time, it suggested the grant of a malikhana of Rs. 6,000 per annum to the Cannanore family.

166. The Government of India, in forwarding the above to the Secretary of State, stated that its own views on the subject had undergone a change and that it was no longer prepared either to support the contention that the islands were British territory or to propose their annexation. Until the arrears of peshkash were cleared off, the existing system of administration should be in force. When release from sequestration became possible, the Raja might be offered an annual rent-charge in consideration of the cession of the islands.

167. The Secretary of State accepted the recommendations of the Government of India. The latter desired to be informed of the progress made in the liquidation of the arrears of peshkash. This decision settled the questions raised regarding the administration of criminal justice.

168. *Mr. Dumergue's visit to the islands during 1891.*—Mr. Dumergue paid a visit to the islands in 1891. Besides redressing such grievances as were brought before him, he introduced the following improvements in the administration:—

(a) For the sharing system, under which the padhi-padhi (half-and-half) crown lands in Kavarathi were managed, was substituted a system of cowles free of assessment for twenty years, but, subject to the condition that the several plots assigned to the cowldars should be planted with cocoanut trees in five years and that at the end of the cowle period a rent of 10 *palams* of coir should be paid for each tree in bearing.

(b) The annual lease of four islets attached to the island of Agathi being found too short to encourage any attempt to replace dying trees was changed to one of twenty years subject to the condition that the lessee should plant a given number of trees annually.

(c) Arrangements were made for the teaching of Hindustani in addition to Malayalam in Androth and of English also in Minicoy.

169. In regard to the monopoly in respect to the supply of rice to Minicoy, Mr. Dumergue observed that the rice supplied by the monopolist was as good as that consumed by the poorer classes on the mainland and that a better quality was kept for those who could or would afford it. The monopolist's prices would probably defy foreign competition and his expenses were great. The prices were also kept down by the fear of lynch law. There were no obstacles to a free trade except the isolated position of the island, and the only effectual way of Government interference would be for Government to play the merchant itself. This step was, in his opinion, not called for.

170. As regards the clearance of the jungle and the creation of a class of cultivators in Minicoy, there were less jungles there than in the other islands and an abundance of cocoanut trees growing in and towering above the jungles. There was no decrease in the cocoanut produce, and, in fact, owing to the shallowness of the soil, the screw pine was absolutely necessary for the protection of the young palms from the heat of the sun. The necessity for the clearance of the jungle on sanitary grounds had not been established, and there was no justification for attempting to transform the sailors into agriculturists.

171. Mr. Dumergue thought that two of three special Minicoy taxes—that on fishing boats and that on vessels trading with Bengal—could be abolished as being undesirable restrictions on trade.

172. The above views and recommendations were generally accepted by the Board and the Government.

173. *Liquidation of the arrears of peshkash and further correspondence with the Government of India and the Secretary of State.*—The Government of India was informed that it was impossible that the arrears of peshkash due by the Raja should ever be cleared off and was

requested to move the Secretary of State to reconsider the decision already communicated regarding the sovereignty over the islands.

174. Subsequently, the Collector of Malabar suggested, as a means of reducing the ever-growing arrears,

G.O., No. 54, Political, dated 30th January 1894, inside Board's Proceedings, No. 674, Mis., dated 10th February 1894.

(1) that the peshkash should be apportioned between the islands which were under sequestration and the Cannanore property which the Raja as a subject of the British Government; and

(2) that the arrears found due on the latter should be collected by the application of Act II of 1864. He pointed out that the Raja had a quantity of hoarded wealth and possessed extensive lands on the mainland. The Government, while approving of the principle of the Collector's proposal, desired the Collector to report whether the allegation that the Raja had means of liquidating the arrears was borne out by facts. If true the Government observed, it would determine Government in taking coercive measures to recover as much as possible of the arrears, first, by threatening to sequester the Cannanore lands and, next, by proceeding to put the threat into execution.

175. The Secretary of State refused to reconsider his decision regarding the status of the Laccadive Islands, but agreed with the Madras Government in considering that the temporary

character of the sequestration was a serious bar to the introduction of an appropriate system of liquidation. It had been stated that there was no prospect of the arrears of peshkash being such liquidation would come to an end. In these circumstances, he called for a report as to whether any equitable arrangement could be come to by which the Raja might be induced to cede his sovereign rights.

176. The Government of India, in communicating the above instructions, decided that interests should not be charged on the arrears of peshkash and called for an amended account

showing the arrears due on account of the principal only. Should all efforts to bring about a voluntary settlement by the offer of a liberal remission of arrears and the grant of malikhana fail, a report to this effect was to be made with recommendations as to the terms to be allowed to the Raja if annexation should be decided on.

177. The Government of India was furnished with a revised statement of arrears in which the

G.O., No. 510, Political, dated 24th July 1894, in the original of Board's Proceedings, No. 368/Confdl No. 46, dated 31st August 1894, and the papers printed in G.O., No. 411, Political, dated 26th June 1895.

amounts due on account of the islands from the date of the last sequestration were shown separately from those due on account of the property on the mainland. Interest was charged only on the latter, the compensation due to the Raja on the Amindivi islands of South Canara was credited proportionately towards the two classes of arrears, and the surplus left of the revenues of the islands of a year, after meeting the outstanding peshkash, was credited towards the mainland arrears. A surplus was thus available only in faslis 1291, 1292, 1293, 1299 and 1300, and the total of sums thus credited towards the peshkash due on the mainland property was Rs. 53,935-10-0.

178. The above accounts showed that, at the end of fasli 1302, a balance of Rs. 15,868-1-8 was due on account of the islands and Rs. 18,909-0-8 on account of the Cannanore lands. Revised up to fasli 1303, the arrears were Rs. 23,082-9-9 and Rs. 22,342-10-4, respectively. Crediting towards the islands dues Rs. 23,632-10-6, the value of the unsold coir on hand, it was found that the Raja had overpaid Rs. 550-0-9 on account of the islands and that he had yet arrears was not, as it was once supposed to be, very remote.

179. An examination of the island accounts for nineteen years during which the islands

Pages 6 and 7 of Board's Proceedings, No. 368/Confdl No. 46, dated 31st August 1894.

were under sequestration showed an average annual surplus income of only Rs. 12,589 without allowing either for the cost of providing steamers for the periodical visits or the pay of the visiting officer and his establishment or the cost of superintendence by the Collector and his establishment on the mainland. The revenues already realised could, moreover, form no safe basis on which to estimate the revenues which would be realised under an improved system of administration. The area of the islands was only 4,200 acres and the male population including children was only 4,767. Under a better system, the income must diminish, while the cost of administration would increase. For these reasons and in view of the fact that the islanders denied that they owed allegiance to the Raja, and that the Raja had neither the ships, men nor money required to undertake their subjugation, the Board of Revenue considered that the Raja might be allowed a malikhana of Rs. 10,000 per annum (inclusive of the Amindivi compensation of Rs. 5,250), that he should pay the peshkash (Rs. 3,617

as apportioned with the sanction of Government) on the Cannanore lands and that the arrears of Rs. 21,792-9-7 yet due from the Raja should be remitted.

180. In due course, the Local Government addressed the Government of India which again addressed the Secretary of State. The Government of India observed that no arrears could be considered as due on account of the islands at

the close of 1893-94; that the position being thus materially different from the state of affairs already reported, when it was understood that the tribute in respect of the islands was hopelessly in arrears, the annexation of the islands could not be supported on the score of the Raja's indebtedness; that the alleged incompetence of the Raja to exercise authority over the islands would not justify their annexation; that the proper course to follow was to definitely set aside the Raja for life and to restore the native rule after his death if his successor should be competent to administer the islands; that during a period of temporary British administration laws could be and constantly were imposed by the authority of the Governor-General in Council and faulty systems were superseded and the same course could be followed in the case of these islands.

181. The Secretary of State accepted the views of the Government of India except in one respect. He was not satisfied as to the necessity for setting aside the present Raja for life.

In recent cases of disorder and maladministration of Native States, it was found sufficient to suspend the chief's powers until certain requisite reforms were introduced, restoring them after a limited period on specified conditions, one of which was the maintenance of the reforms introduced under British authority. This course would be fairly applicable to the present case. The Secretary of State accordingly suggested the introduction into the islands of such a scheme of administration combined with arrangements for political supervision as could be continued under the Raja's authority, and directed that the Local Government should be required within a limited period, say, of three years, to report on the progress made in the introduction of such an administrative system and on the conditions on which the islands could be transferred to native rule. The special question of the personal competence of the present Raja for the exercise of sovereign rights in the islands might be then considered.

182. In communicating the above orders, the Government of India directed that the Raja should be informed of the decision arrived at and encouraged to regard the restoration of his authority as a possibility if he hereafter proved himself worthy of being tentatively entrusted with the administration and that the report called for should be submitted within three years.

Order—No. 301, Political, dated 4th May 1897.

The papers will be forwarded to Mr. Winterbotham on his return from furlough and he will be requested to be so good as to favour Government with his suggestions and opinion on the proposals for the future administration of the Laccadive islands.

(True Extract.)

J. F. PRICE,
Chief Secretary.

To H. M. Winterbotham, Esq., I.C.S.
„ the Board of Revenue (Land Revenue).

Exd. S. J. Pereira.

Abstract Statement of Receipts, Expenditure and Balance of the Laccadive Islands.

Year	Total	Receipts	Expenditure	Balance or Excess of Receipts
1875	1,000	1,000	1,000	0
1876	1,000	1,000	1,000	0
1877	1,000	1,000	1,000	0
1878	1,000	1,000	1,000	0
1879	1,000	1,000	1,000	0
1880	1,000	1,000	1,000	0
1881	1,000	1,000	1,000	0
1882	1,000	1,000	1,000	0
1883	1,000	1,000	1,000	0
1884	1,000	1,000	1,000	0
1885	1,000	1,000	1,000	0
1886	1,000	1,000	1,000	0
1887	1,000	1,000	1,000	0
1888	1,000	1,000	1,000	0
1889	1,000	1,000	1,000	0
1890	1,000	1,000	1,000	0
1891	1,000	1,000	1,000	0
1892	1,000	1,000	1,000	0
1893	1,000	1,000	1,000	0
1894	1,000	1,000	1,000	0
1895	1,000	1,000	1,000	0
1896	1,000	1,000	1,000	0
1897	1,000	1,000	1,000	0
1898	1,000	1,000	1,000	0
1899	1,000	1,000	1,000	0
1900	1,000	1,000	1,000	0
1901	1,000	1,000	1,000	0
1902	1,000	1,000	1,000	0
1903	1,000	1,000	1,000	0
1904	1,000	1,000	1,000	0
1905	1,000	1,000	1,000	0
1906	1,000	1,000	1,000	0
1907	1,000	1,000	1,000	0
1908	1,000	1,000	1,000	0
1909	1,000	1,000	1,000	0
1910	1,000	1,000	1,000	0
1911	1,000	1,000	1,000	0
1912	1,000	1,000	1,000	0
1913	1,000	1,000	1,000	0
1914	1,000	1,000	1,000	0
1915	1,000	1,000	1,000	0
1916	1,000	1,000	1,000	0
1917	1,000	1,000	1,000	0
1918	1,000	1,000	1,000	0
1919	1,000	1,000	1,000	0
1920	1,000	1,000	1,000	0
1921	1,000	1,000	1,000	0
1922	1,000	1,000	1,000	0
1923	1,000	1,000	1,000	0
1924	1,000	1,000	1,000	0
1925	1,000	1,000	1,000	0
1926	1,000	1,000	1,000	0
1927	1,000	1,000	1,000	0
1928	1,000	1,000	1,000	0
1929	1,000	1,000	1,000	0
1930	1,000	1,000	1,000	0
1931	1,000	1,000	1,000	0
1932	1,000	1,000	1,000	0
1933	1,000	1,000	1,000	0
1934	1,000	1,000	1,000	0
1935	1,000	1,000	1,000	0
1936	1,000	1,000	1,000	0
1937	1,000	1,000	1,000	0
1938	1,000	1,000	1,000	0
1939	1,000	1,000	1,000	0
1940	1,000	1,000	1,000	0
1941	1,000	1,000	1,000	0
1942	1,000	1,000	1,000	0
1943	1,000	1,000	1,000	0
1944	1,000	1,000	1,000	0
1945	1,000	1,000	1,000	0
1946	1,000	1,000	1,000	0
1947	1,000	1,000	1,000	0
1948	1,000	1,000	1,000	0
1949	1,000	1,000	1,000	0
1950	1,000	1,000	1,000	0
1951	1,000	1,000	1,000	0
1952	1,000	1,000	1,000	0
1953	1,000	1,000	1,000	0
1954	1,000	1,000	1,000	0
1955	1,000	1,000	1,000	0
1956	1,000	1,000	1,000	0
1957	1,000	1,000	1,000	0
1958	1,000	1,000	1,000	0
1959	1,000	1,000	1,000	0
1960	1,000	1,000	1,000	0
1961	1,000	1,000	1,000	0
1962	1,000	1,000	1,000	0
1963	1,000	1,000	1,000	0
1964	1,000	1,000	1,000	0
1965	1,000	1,000	1,000	0
1966	1,000	1,000	1,000	0
1967	1,000	1,000	1,000	0
1968	1,000	1,000	1,000	0
1969	1,000	1,000	1,000	0
1970	1,000	1,000	1,000	0
1971	1,000	1,000	1,000	0
1972	1,000	1,000	1,000	0
1973	1,000	1,000	1,000	0
1974	1,000	1,000	1,000	0
1975	1,000	1,000	1,000	0
1976	1,000	1,000	1,000	0
1977	1,000	1,000	1,000	0
1978	1,000	1,000	1,000	0
1979	1,000	1,000	1,000	0
1980	1,000	1,000	1,000	0
1981	1,000	1,000	1,000	0
1982	1,000	1,000	1,000	0
1983	1,000	1,000	1,000	0
1984	1,000	1,000	1,000	0
1985	1,000	1,000	1,000	0
1986	1,000	1,000	1,000	0
1987	1,000	1,000	1,000	0
1988	1,000	1,000	1,000	0
1989	1,000	1,000	1,000	0
1990	1,000	1,000	1,000	0
1991	1,000	1,000	1,000	0
1992	1,000	1,000	1,000	0
1993	1,000	1,000	1,000	0
1994	1,000	1,000	1,000	0
1995	1,000	1,000	1,000	0
1996	1,000	1,000	1,000	0
1997	1,000	1,000	1,000	0
1998	1,000	1,000	1,000	0
1999	1,000	1,000	1,000	0
2000	1,000	1,000	1,000	0

Appendix A.

ABSTRACT STATEMENT

OF

Receipts, Expenditure and Balance of the Laccadive Islands.

1891
1892
1893
1894

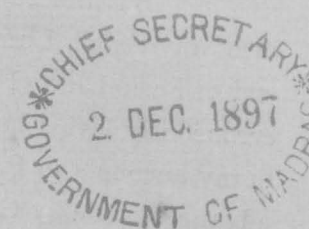
1889-90	1299	71,564	7	6	42,371	0	1	29,193	7	5
1890-91	1300	86,046	15	10	72,103	8	9	13,943	7	1
1891-92	1301	64,515	7	4	57,961	0	1	6,554	7	3
1892-93	1302	98,268	7	1	95,763	8	7	2,504	14	6
1893-94	1303	66,555	12	11	60,773	0	6	5,782	12	5
1894-95	1304	73,580	12	5	73,288	10	4	292	2	1
1895-96	1305	83,670	10	7	50,394	3	0	33,276	7	7
Total...		15,51,548	11	6	11,97,873	7	5	3,53,675	4	1

- (34) Receipts include in Collector's Statement, Rs. 5,250 Amini Divi compensation for Fasli 1299 credited under that specific head. (35) Rupees 5,250 Amini Divi compensation for 1299 exhibited under charges in reduction of arrears as well as Rs. 23,943-7-5 paid from the surplus for the same purpose in Collector's Statement have been omitted in this Account.
- (36) Receipt includes Rs. 5,250 Amini Divi compensation for 1300 credited towards arrears under that specific head. (37) Rupees 5,250 Amini Divi compensation for 1300 exhibited under Charges as well as Rs. 8,220-2-9 paid out of the surplus in liquidation of arrears and Rs. 473-4-4 interest charged for the first time on a temporary loan of Rs. 30,000 during the year in Collector's Statement have been omitted in this.
- (38) Receipts include Rs. 5,250 Amini Divi compensation for Fasli 1301 in Collector's Statement under that specific head. (39) Rupees 5,250 Amini Divi compensation for 1301 exhibited under charges towards reduction of arrears, and Rs. 1043-15-6 paid in reduction of arrears from surplus, and Rs. 260-7-9 paid as interest on temporary Government loan shown in Collector's Statement have been omitted in this Account.
- (40) Receipts include Rs. 5,250 Amini Divi compensation for Fasli 1302 in Collector's Statement under that specific head. (41) The Collector's account has rightly omitted Rs. 5,250 Amini Divi compensation in this year's Statement from charges. (42) Rs. 1870-0-8 being payment made out of surplus in liquidation of arrears, and Rs. 634-13-10 interest charged on loan from Government shown in Collector's Statement have been omitted in this Account.
- (43) Receipts include Rs. 5,250 Amini Divi compensation for 1303. (44) Rupees 5,434-8-10 paid in liquidation of arrears from surplus, and Rs. 348-3-7 paid as interest on Government loan in Collector's Statement have been omitted in this Account.
- (45) Receipts include Rs. 5,250 Amini Divi compensation for 1304. (46) Rupees 286-6-8 interest charged on Government loan shown in Collector's Statement has been omitted in this Account.
- (47) Receipts include Rs. 5,250 Amini Divi compensation for Fasli 1305. (48) Rs. 38-9-4 being interest on Government loan, and Rs. 11,383-0-11 being payment of arrears, and Rs. 1,266 being payment of proportionate Amini Divi compensation shown in Collector's Account have been omitted in this Statement.

Abstract.

Total Receipts	Rs. 15,51,548-11- 6
Total Expenditure	Rs. 11,97,873- 7- 5
	<u>Balance Rs. 3,53,675- 4- 1</u>
Deduct Tribute due from Fasli 1285 to 1305 at Rs. 15,000 per year.	Rs. 3,15,000- 0- 0
	<u>Balance Rs. 38,675- 4- 1</u>
Add local cess erroneously levied and ordered by the Board of Revenue to be re-adjusted and credited in accounts (vide Proceedings No. $\frac{5506}{11.12.96}$)	Rs. 4,503- 5- 6
	<u>Rs. 43,178- 9- 7</u>
Add unrecovered advance made under "Sundries" to Hospital Assistants and for purchase of rice and salt.	Rs. 38,213- 0- 3
	<u>Total Balance Rs. 81,391- 9-10</u>

20190.



Cannanore, 22nd March 1897.

To

The Chief Secretary to Government,

Political Department,

MADRAS.

Sir,

I have the honour to forward herewith a statement (App. A) of the arrears of tribute due by me as tabulated from the accounts furnished by the Collector of Malabar up to the close of Fasli 1305 (1895-96) and a file (App. B) of the correspondence on the subject.

* pp. 30, 31,
App. B.

2. Among the correspondence will be found an account* of the arrears prepared by Government on a novel plan separating for the first time the account pertaining to the Islands from that relating to the Karar territory at Cannanore. In respect of the former the Government arrived at a surplus of Rs. 16,943-15-4, while in regard to the latter they exhibited a deficit of Rs. 82,823-0-5 at the end of Fasli 1304 (1894-95). To this was added Rs. 29,753-6-7 as interest, making a total of Rs. 1,12,576-7-0 due by me. In his letter No. 130*, dated the 1st July 1896, the Collector (Mr. Hewetson) informed me that at the end of Fasli 1305 (1895-96) the Island surplus was Rs. 48,762-3-7; and in his letter of the 4th July 1896, No. 73† he intimated that out of the above sum, Rs. 11,383-0-11 had been deducted by him on account of the peishcush due in respect of the Islands, as apportioned by Government, for Fasli 1305 (1895-96), thereby reducing the surplus to Rs. 37,372-2-8. The deficit in the account of the Karar territory in Fasli 1305, according to the principle of calculation adopted by Government, is Rs. 86,440-0-5 and the interest is Rs. 33,673-13-0, aggregating Rs. 1,20,113-13-5. Deducting the above surplus of Rs. 37,372-2-8 from this sum there is a balance of Rs. 82,741-10-9 to be made good by me according to the Government account.

1898

2

1784

3. But the result of my tabulation (App. A) shows that far from having to meet any *deficit*, I am entitled to be credited with a *surplus* of Rs. 38,675-4-1 at the end of Fasli 1305 (1895-96). If to this be added Rs. 4,503-5-6 being the local cess erroneously levied but ordered by the Board of Revenue to be readjusted and credited in my accounts in Proceedings No. $\frac{5506}{11-12-96}$ and Rs. 38,213-0-3 being the unrecouped advances made by Government from the Island funds, as explained elsewhere (para 24 *infra*) the amount due to me is Rs. 81,391-9-10. This extreme divergence in the accounts clearly necessitates close scrutiny. My tabulation is, as already observed, based on the accounts furnished by the Collector. It is prepared on the simple plan of taking the actual Receipts and the actual Expenditure of the administration of the Islands for each year and striking a balance excluding elements of confusion incidental to the carrying out of various debits. When the actual Expenditure is deducted from the actual Receipts, a balance for wiping off the arrears of tribute is arrived at, which is definite and subject to no variation.

4. A consideration of the financial position necessarily leads to a discussion of the political question raised by the Government, apportioning the tribute payable under the treaty of 1796 between my possessions on the mainland and the Laccadives, and treating the apportionment on distinct principles not warranted by the treaty. In order to avoid an inconvenient digression I propose to discuss *firstly* the financial position, and *secondly* the political aspect of the question.

p. 3, App. B. 5. In his memorable letter of the 30th May 1894 the Collector (Mr. Bradley) in desiring me to surrender my sovereignty on the Islands to Government informed me that the arrears of Fasli 1303 amounted to Rs. 35,000 and that a liberal remission of the arrears and a tangible reduction in peishcush would be granted if I agreed to the proposal enunciated by him. This letter referred to a matter of the highest political significance involving a territorial acquisition to Government, and must be presumed to have been written after a careful scrutiny of the accounts. If I had closed in with the offer, the adjustment of the accounts would have rallied round the sum of Rs. 35,000 stated to have been the arrears outstanding against me.

p. 9, App. B. 6. But in his letter No. 112, dated the 6th July 1895, the Collector (Mr. Moberly) informed me that at the end of Fasli 1303 the arrears due by me amounted to Rs. 75,118-11-4, but that a revision of the accounts, effected under the orders of Government, resulted in the arrears being reduced to Rs. 45,425-4-1. As this meant a reduction of Rs. 29,693 in the arrears I wrote† to Mr. Moberly on the 12th July offering my thanks for this act of generosity and asking for a reconciliation of the figure with that (Rs. 35,00) intimated by Mr. Bradley. At the same time I suggested the desirability of having the accounts audited by a professional auditor, a course which would be satisfactory to all concerned. This suggestion was repeated §p. 28, App. B. in my letter§ No. 329, dated the 20th May 1896.

*p. 15, App. B.

7. In his letter*, however, of 29th April 1896 No. 44, the Collector (Mr. Hewetson) stated that the arrears at the end of Fasli 1303 amounted to Rs. 75,172-1-10 (not Rs. 75,118-11-4 as quoted by Mr. Moberly) and that under a further revision on a different principle the arrears were reduced to Rs. 45,245-4-11 (and not Rs. 45,425-4-1 as stated by Mr. Moberly).

*p. 29, App. B.

8. But in his letter* No. 55, dated the 13th May 1896, Mr. Hewetson cancelled the account given in para 7 above and substituted another which showed a *surplus* of Rs. 23,082-9-9 in my favour in respect of the Islands in Fasli 1303, but at the same time fixed the arrears of the Karar territory at Rs. 79,206-0-5 and the interest on it Rs. 26,267-0-10, aggregating Rs. 1,05,473-1-3.

9. These variations in the accounts furnished by the Collector have naturally filled me with dismay*. The effect of revising the accounts on different principles of calculation has, I regret to state, been to increase my liability from time to time. If such conflicting accounts had been submitted by me there is little doubt that I should have incurred the just condemnation of Government.

10. These differences lead to the examination of the basis on which the accounts are constructed. I beg to be pardoned for having to state that the calculations made appear to be far from correct.

*pp. 4 to 6,
App. B.

11. In my letter* No. 153, dated the 17th November 1894, I referred among other matters to the non-adjustment for several years of the Amini Divi compensation—Rs. 5,250—due to me, and questioned the mode of adjustment adopted in the four years 1888-89 to 1891-92. In these years the amount was first exhibited as Receipt and at the same time brought under Expenditure in liquidation of the arrears, the result achieved being a zero, so far as the reduction of arrears was concerned. The compensation instead of being paid to me formed in effect a sinking fund for reducing the arrears and as such could only find a place under Receipts. Rupees 21,000 would therefore appear to have been added erroneously to the Expenditure side in the four years noted above.

*pp. 15 and 16,
App. B.

12. In his reply* No. 44 dated the 29th April 1896, Mr. Hewetson favoured me with certain accounts audited by the Treasury Deputy Collector, who endeavoured to explain the adjustment by erroneously relying on a statement† (No. 1) prepared avowedly for a different purpose, viz. for computing interest on the arrears which had nothing to do with the adjustment of the Amini Divi compensation. This was pointed out in my letter§, dated the 18th May 1896 No. 327, wherein I touched upon various other points raised by Mr. Hewetson.

13. Before closing my remarks on the statement No. 1 furnished by Mr. Hewetson and referred to above, it is necessary to call attention to two important points. The Government of India is stated to have laid down the principle that interest should be charged on the arrears apportioned for the first time to the Karar territory at Cannanore. The reasons which led to this order have not been

communicated to me and the point will be dwelt upon when discussing the political aspect of the question. But I do not for a moment believe that the orders received could ever have directed the charging of *compound* interest on the arrears. The statement No. 1 received from Mr. Hewetson however charges *compound* interest in Faslis 1300 and 1302*. Nor was this all. In Faslis 1295 and 1297 he added certain "*paper deficits*"† amounting to Rs. 11,064 to the arrears which were inordinately increased. These two points are important as they affect the entries in statement§ No. 2 discussed below on which the Government calculation is based.

14. Statement No. 2, furnished by Mr. Hewetson, exhibits the *surplus* available in each Fasli towards the reduction of the arrears. This statement chiefly derives its importance from the fact that it has been made the groundwork of the account prepared by Government and furnished to me by the Collector with his letter* No. 55, dated the 13th May 1896. The account is printed in pages 30 and 31 of App. B.

15. The statement (App. A) prepared by me shows at a glance that the calculation made in the Collector's Statement* No. 2 is anything but correct. For nine years from Fasli 1285 to 1293 the Amini Divi compensation due to me, namely Rs. 47,250, appears to have been totally left out of account with the result that the *surplus* shewn as available in those years was less than what it really was. The account† prepared by Government begins with Fasli 1281, and I do not know whether the same omission has taken place in respect of Faslis 1281 to 1284 amounting to a sum of Rs. 21,000.¹⁾ The Amini Divi compensation was, I should have thought, of sufficient importance to be shewn under a distinct head as was done from Fasli 1298. But it will be observed that it was exhibited under sundries in the years previous to Fasli 1298. In Fasli 1286 the Receipts and Charges, according to statement No. 2 were respectively Rs. 85,716-15-3 and Rs. 43,432-13-9; whereas according to the annual statements§ of Receipts and Expenditure which alone embrace the entire transactions and form the correct basis of the financial position, the figures were respectively Rs. 93,365-12-10 and Rs. 47,410-14-2. In Faslis 1298 to 1301 the Amini Divi compensation was simultaneously credited and‡ debited in the accounts with the zero result as explained in para 11 above.

16. It will therefore be observed that the calculation made by Government in the account printed at pages 30 and 31 of App. B. was based upon incorrect data which vitiate it.

17. It is true that in communicating the account prepared by Government, Mr. Hewetson informed* me that the accounts furnished by him with his letter† of the 29th April 1896 were cancelled. But in letter§ No. 338, dated the 29th May 1896, I pointed out that notwithstanding

¹⁾ Deducting Rs. 21,000 from the arrears of Rs. 59,426-1-3 for these years, the balance is reduced to Rs. 38,426-1-3. Deducting this sum from the *surplus* of Rs. 81,391-9-10, the net sum due to me would appear to be Rs. 42,965-8-7.

the cancellation, the amended statement was expressly based on the cancelled account No. 2 and that the cancellation did not affect the result.

18. I am reluctant to trespass upon the valuable time of Government by referring to details of account. I have, I venture to think, shewn sufficient reasons for concluding that the accounts still call for attention and amendment. Nothing short of an examination by a competent auditor in conjunction with my agent, will, I am afraid, be satisfactory.

19. One or two further points, however, I cannot help noticing. It will be observed that in recent years the Government has been charging interest on loans temporarily contracted by them from the Government Treasury for the management of the Islands. This I beg to submit is hard. The Government sequestered the Islands, not at my instance, but of their own accord, and should be considered to have done so at their own risk. Appendix A shews that only in one year (Fasli 1295) did the administration of the Islands result in a small *deficit* to the extent of Rs. 3,080. In the remaining years from 1875-76 to 1895-96 there was a *surplus* at the end of each year. The loans were resorted to for tiding over temporary deficiency of funds, and as they were necessitated not by anything done by me but by the management of Government they ought in justice to recoup themselves without charging me with any interest on such loans.

20. From Appendix A we find that loans were taken in Faslis 1288, 1291, 1294, 1295 and 1296 *without charging any interest whatever*, and that in Faslis 1300 to 1305 interest aggregating Rs. 2,041-13-6 was charged on the loans amounting to Rs. 1,07,000. But during these six years the Government had in their possession according to the Collector's account* an aggregate *surplus* of more than 3,416 candies of coir worth Rs. 1,19,560 at the rate of Rs. 35 per candy, that is to say, the Government had Rs. 1,19,560 in the shape of coir when they borrowed from themselves Rs. 1,07,000 in *specie* on the latter of which they charged interest. The loan with the interest was less than the worth of coir in their hands.

Moreover the necessity is not apparent for borrowing Rs. 2,500 in Fasli 1305 when according to the Government account* there was a *surplus* of Rs. 16,943-15-4 at the end of Fasli 1304, and according to Mr. Hewetson's letter† of 1st July 1896, the Fasli 1305 closed with a *surplus* of Rs. 48,762-3-7.

21. Again the pies eleven added to the tribute should, I submit, be eliminated*. It is not in the Treaty, and there is nothing to shew how, when and why it was added.

22. The expenses under "Sundries" forming a remarkable feature of the accounts were discussed in para 6 of my letter* No. 153, dated the 17th November 1894. The details of these charges applied‡ for so far back as 17th November 1894, were not furnished till December 1896,

which accounts for the delay in this report. For the details I am indebted to Mr. Dance, the present Collector. They are printed at pages 54 to 70 of Appendix B.

23. From the details of "Sundries" it will be observed that several items which should legitimately appear under distinct heads, such, for instance, as Advances Recoverable, Loans from Government, Amini Divi Compensation, etc., have been included under Sundries with the result that it is difficult to find out whether and what amounts have been adjusted.

24. Under "Sundries" it appears that rice worth Rs. 51,122-10-5 was sent for disposal in the Islands of which only Rs. 14,183-13-5 was recovered, leaving a balance of Rs. 36,938-13-0. Similarly advances made to Hospital Assistants etc. amounted to Rs. 3,813-5-11, of which Rs. 2,826-1-7 was recovered, leaving a balance of Rs. 987-4-4. The advances under "Salt" amounted to Rs. 846-9-0 and recovery Rs. 559-10-1 with a balance of Rs. 286-14-11 to be made good. The total amount outstanding under these three heads alone is Rs. 33,213-0-3. Adding this to the credit balance in my favor, as exhibited in Appendix A, the total sum due to me is Rs. 81,391-9-10.

(a) In Fasli 1287 the medicines and provisions supplied to the Islands amounted to the large sum of Rs. 2,440-13-4. The necessity for this is nowhere explained.

(b) In Fasli 1288 the Receipts under Sundries are shewn as *p. 56, App. B. Rs. 12,994-11-6* whilst the figure entered in the annual account of Receipts and Charges is Rs. 13,072-10-4. How the variation occurred is not clear.

(c) In Fasli 1289 certain Pandaram lands are stated to have *p. 56, App. B. been sold*. The justification for the *permanent* alienation of my title under the *temporary* sequestration of the Islands is not apparent.

(d) In Fasli 1289 a certain sum is shewn as carried to Receipt on the *p. 57, App. B. mainland "being the balance* of deposit" made to the Superintendent of Sea Customs. What was the original deposit, and under what head it was charged and when is not stated.

(e) A similar remark applies to the *balance* of advance returned by Mr. Tate *p. 59, App. B. tp. 60, App. B. in Fasli 1293* and by Mr. Dance in Fasli 1294.†

p. 60, App. B. (f) In Fasli 1294 Rs. 751 is stated to have been refunded to the purchaser of coir. How so large an amount came to be returned is not stated. It is doubtful whether the dryage could amount to so much.

(g) The expenses connected with the Hospital at Minicoy were, I understood from Mr. Moberly, a Provincial charge. And yet large sums have been charged to my account on that head.

(h) In addition to these outstandings the Advances Recoverable and other *p. 6, App. B. charges referred to in my letter* No. 153 of 17th November 1894 do not appear to have been adjusted.

25. The above circumstances afford, I think, additional proof of the necessity for auditing the accounts on a systematic plan. If this is done, the *surplus* to my credit is likely to be more than that stated in paras 3 and 24 above.

26. This brings me to the consideration of the political aspect of the question. And here I am afraid I am treading on delicate ground. I am at all times most willing to bow to any decision which the Government may arrive at in respect of my relations with them. But this does not prevent me from urging points for consideration where a difference of opinion prevails. To the Government nothing is, I am sure, more repugnant than deviation from its pledges or engagements. My remarks on the political aspect submitted with diffidence may, I solicit, be taken as respectful representation of the facts as they appear to me.

27. For purposes of the matter in hand I need merely refer to the two *pp. 1 and 2, App. B. Treaties* entered into between the English East India Company and the Beebi of Cannanore, my ancestress, on the 11th April 1793 and 28th October 1796. Of course though the Treaty was entered into with the Company, it is by Statute 21 and 22 Victoria Cap. cvi, binding on the Government.

28. The Treaty of 1793 was indefinite in form and indecisive in effect. It provided

(a) To pay the moiety of whatever is the produce of my country according to the funds thereof;

(b) To pay the half of the annual profit of Rs. 20,000 which I reap from my trade with the Laccadives,

(c) To pay the half of whatever further income or profit from the said lands or trade might be ascertained by the Officers of Government to accrue to me, and

(d) To submit to the sequestration of the Laccadives, if ordered by the Governor General in Council, for the advantage of the Honorable Company's Government and for the appropriation for the use of the said Government of all the produce thereof. For this purpose a gentleman was to proceed to the Laccadives "after the rains".

29. By the Treaty of 1796 the tribute which was not fixed by the previous engagement of 1793 was definitely fixed at Rs. 15,000 *per annum* "being the Jumma on the houses, purrums etc. situated at and near Cannanore, on my trade to the Laccadive Islands, and on my Jelm property on the said Islands". It was also provided that "this article of agreement is not to do away nor is meant to do away in any shape the rights which the Government have to the Laccadive Islands as set forth" in the treaty of 1793, analysed above, that is to say that "after the rains" a gentleman was to proceed to the Laccadives to sequester them and to appropriate to the use of Government all the produce thereof.

The remaining provisions of the Treaty of 1796 need not be considered here.

30. It is clear that the sequestration of the Islands effected by the Government *p. 2, App. B. of India's Order* No. 594 dated the 2nd March 1876, was for the realisation of the arrears of tribute which had accrued at the time. But what was

the original object which led to the importation of the clause for sequestration in the Treaty? In order to understand this we must for a moment look behind the Treaty.

31. The clue is, I think, furnished by the Reports of the Joint Commissioners from Bengal and Bombay appointed by Marquis Cornwallis in 1792. When Malabar was ceded to the Company on the successful termination of the war with Tippu the accounts relating to the Laccadive Islands were requisitioned for fixing the tribute payable by the Beebi. But the accounts furnished especially through Chowacaran Moossa, who had a mortgage on the produce of the Islands, were found so unsatisfactory that it was decided that a vessel should be sent over with proper persons to enquire into the financial circumstances and capabilities of the Islands. But the vessel having sprung a leak on the voyage was obliged to put back without reaching her destination and the advent of the monsoon soon after rendered re-equipment impossible during the season.

32. Before the intended examination of the Islands could be effected, the Treaty of 1793 was concluded with the Beebi. In this connection the Commissioners observed as follows:—

“As we still retained considerable doubts that the Beebi had not delivered a full account of her receipts and profits from the Laccadives and thought it probable that Your Lordship might wish for several reasons to have those Islands explored, we caused to be inserted in the engagement from the Beebi a clause binding her generally to the payment of the moiety of whatever is or shall be ascertained to be the produce of *her country*, including the half portion of the profits that she reaps from her trade with the Laccadives, and further reciting that as we had (in consequence of the doubts above suggested) announced to her the determination of Government to send after the rains a proper person into those Islands to sequester them for the advantage of the Honorable Company's Government and to appropriate to the use of the said Government all the produce thereof, she doth also engage to submit and conform without objection to this disposition, if such shall be ordered by Your Lordship in Council or to be ready (if called upon for that purpose) to account for (whatever course be determined) the true increase and full produce and to pay the same to Government to whom we have thus preserved the right of making every further scrutiny that may be deemed advisable.” (Para 245 of the Joint Commissioner's Report.)

33. The above extract gives a clear insight into the circumstances which led to the clause for sequestration having been introduced into the Treaty. The power was not, it appears to me, intended to be used if the tribute fell into arrears nor for introducing political reforms, but expressly for exploring the yielding capacity of the Islands with a view to adjust the proportion of the receipts to be appropriated by the Company. It need hardly be stated that considerations underlying treaties are not to be ignored. Wheaton in his International Law remarks that “the obligation of treaties, by whatever denomination they may be called, is founded not merely upon the contract itself but upon those mutual relations between the two parties which may have induced them to enter into certain engagements”.

34. The political control of the Beebi over the Laccadives was absolute and left untouched by the Treaties for obvious reasons. They are furnished by the admirable work of Mr. Lee-Warner “on the Protected Princes of India”. “The policy” observes Mr. Lee-Warner “which guided the Company in the three well-marked periods of its map-making must be thoroughly understood by any one who seeks to ascertain what the relations of the parties were then, and what they have since become. Each period is the expression of an idea which has left its mark as much on the form and language of the Treaties as upon their extent and their objects. Up to the year 1813, which may be fixed as the closing year of the first period, the pressure of Parliament and the prudence of the Merchant Company operated in the direction of a policy of non-intervention. The Company was barely struggling for its existence and it recoiled from the expense and the danger of extending its treaties of alliance and self-defence beyond the ring-fence of its own territorial acquisitions.”

35. The Laccadives were neither within the Company's ring-fence nor on its border. They formed an absolute and independent sovereignty, the existence of which dates back before the British Rule in Malabar. They were therefore left untrammelled by the Treaties, especially as the Parliament had declared in 1793 that “to pursue schemes of conquest and extension of dominions in India are repugnant to the wish, the honor, and the policy of the nation”.

36. By these I do not mean to assert that the Government have not the power to interfere when cases of maladministration are proved against a Tributary Prince in alliance with them. That power is one of the recognised attributes of the Paramount Power, which is above question. All that I wish to represent is that the Treaty of 1793 and 1796 partakes more of the nature of a financial than political compact, and as such would, if it was ever intended that its application to the Islands and the Karar territory should be governed by different principles of treatment, have so expressly stated it. It will be observed from the Treaty that, while it expressly refers both to the Laccadives and the Karar Territory, it does not make a shadow of distinction between them and provides for a consolidated tribute in respect of both the possessions. If it was intended that in regard to the Karar territory the Company should be in a more advantageous position than in respect of the Laccadives, it would, I submit, have been so expressly provided.

37. The question therefore is how far the course is justified of apportioning the tribute payable under the Treaty between the Laccadives and the Karar territory and in charging interest on arrears pertaining to the latter. In other words, is the phraseology of the Treaty such as to admit of this course being legally adopted? *p. 29, App. B. The Collector of Malabar informed me in letter* No. 55, dated the 13th May 1896, that the Government had insisted on apportioning not only the tribute but also the Amini Divi compensation payable to me by Government and that they were further pleased to assert that under the Treaty, the Karar territory was held by me as an ordinary ryot, liable to pay an assessment subject to interest on arrears.

†pp. 32, 33, App. B. In my letter† No. 337, dated the 27th May 1896, I complained about the position assigned to me by the order. I do not know if my representation has been submitted to Government.

38. As already stated, I am under the Treaty to pay a consolidated amount of Rs. 15,000 "being the Jumma (demand) on the houses, purrums etc. situated at and near Cannanore, on my trade to the Laccadive Islands and on my jelm property on the said Islands". I need hardly state that Treaties are not exempt from the recognised laws of interpretation. But I beg to submit that by no rules of modern interpretation, grammatical or logical, can the above provision in the Treaty be construed as reducing me, on the one hand, to the position of an ordinary ryot paying an assessment to Government in respect of the Karar territory and amenable to be charged with interest on arrears thereof under the Revenue Recovery Act II of 1864, and elevating me, on the other hand, to the status of holding the Islands as a State in alliance with the Government of India and paying a tribute therefor, without liability to pay interest on arrears. The history of the Treaty leaves, I submit, no room to doubt that the English East India Company was treating *not* with a ryot but with a House possessing sovereign rights over its territorial possessions on the mainland as well as on the Laccadive Islands.

39. That the "jumma on the houses, purrums situated at and near Cannanore" which is "the moiety of whatever is the produce of *my country*" includes (1) Land Revenue, (2) Sea Customs, (3) Land Customs, (4) Abkari, (5) Tax on houses, (6) Tax on shops, and (7) Receipts from the administration of justice, will not, I imagine, be disputed. My territory in Cannanore is situated on the "Little State" in which the Beebi adminis^{ed} justice to the extent of inflicting capital punishment—a power precisely similar to what she wielded in the Laccadive Islands—and in which her own gold and silver currency prevailed. These facts negative, I submit, the theory that, in respect of the Cannanore Karar territory, the Company was dealing with a ryot paying an assessment to Government. Indeed the sources of the Beebi's income taken into consideration for fixing the tribute, as indicated above, are in themselves a refutation of the assertion, that in the Karar territory I occupy the position of a mere ryot.

p. 48, App. B. 40. With G. O. No. 691, dated the 28th September 1896, I was favoured with a copy of para 6 of G. O. No. 405, Political, dated 20th December 1871, holding that "on the mainland and within what are known as the Karar limits, the Cannanore family occupy the position of an ordinary landholder. On the mainland they have no share whatever in the administration of Criminal and Civil Justice; they are themselves amenable to the Courts of the country and are in no respect on a different footing from other landed proprietors".

41. This order is, I am afraid, based on a misapprehension of the facts connected with the Treaty. It is true that on the mainland I occupy the position of an ordinary landholder. But this is, I submit, *not* in respect of the Karar territory, but in regard to the thirty-one villages in the Chirakkal and Kottayam Taluks, in

which I pay an aggregate assessment of more than Rs. 10,000, on my landed property like other landlords which is susceptible of enhancement, either by virtue of extra cultivation, or extra assessment. But so far as the Karar territory is concerned, the tribute payable by me is immutable and fixed for ever, and the Government has no concern with the fiscal administration of the area. It is the domain of a House which gave up its sovereign powers of administering Civil and Criminal Justice, in consideration of the settlement of a fixed tribute "for the protection it might expect from the Honorable Company in future". The fact that I am amenable to the Courts of the country is an incident to my residence within British jurisdiction—a position from which other Independent Princes who may reside in British territory are not exempt, but which nevertheless has not been viewed as divesting them of their *status*.

42. I need hardly state that no ryot in British territory pays an assessment comprising the items enumerated in para 39 above, which constitute the basis of the tribute payable by me in respect of the Karar territory. To compare me therefore to an ordinary ryot in respect of my tribute for the Karar territory is, I submit, to do violence to the terms of the Treaty and the considerations underlying it. That my House exercised sovereign powers about the time of the Treaty is clear from para 247, of the Joint Commissioner's Report. If the East India Company was treating with a ryot in respect of the Karar territory and with a Sovereign in regard to the Laccadives, it is inconceivable that the officers of the Company would have forgotten themselves so far as to enter into *one* engagement with a person of such widely different *status*.

43. Whatever the component parts of the tribute, the Treaty does not so much as attempt to specify them, much less to apportion them. No rule of interpretation avails, I submit, now to resolve the tribute into its component parts with a view to charge interest in respect of one of the parts under an enactment inapplicable to it.

44. Act II of 1864, defines a landholder to be a person holding under a Sunnud-i-milkeut-istimrar, all other Zemindars, Shrotriyamdars, Jahgirdars, Inamdars, and all persons farming the land revenue under Government or in any way subject to the payment of revenue direct to Government. The definition, it will be observed, does not apply to one circumstanced as myself.

45. For these reasons my tribute cannot, I submit, be legally apportioned nor charged with interest not provided for by the Treaty. No interest was charged on the arrears when the Islands were sequestered on two occasions formerly.

46. Nor is the apportionment legal of the Amini Divi compensation due under Treaty No. CCLXXIII, at page 386, of vol. III. of the District Manual referred to *p. 44, App. B. in Mr. Hewetson's letter* of 20th July 1896, para 3. The compensation, it will be observed, is an abatement of the *entire* tribute of Rs. 15,000.

p. 10, App. B. 47. In his letter No. 68, dated the 13th August 1895, Mr. Moberly communicated to me the orders of the Right Honourable the Secretary of State for

India for the restoration of the Islands to me, adding that it has been decided that "the opportunity of the existing temporary British attachment of the Islands should be utilised in order to improve the administration and to establish the improved system on a permanent basis and that the continuance of such improved system should be one of the conditions of the restoration of the Islands" to me and that the Secretary of State expects to be furnished with a report of the progress made in the introduction of such administrative system within three years or *at an earlier date*. Mr. Moberly therefore requested me to make proposals for the future administration of the Islands. It will be observed that the orders of the Secretary of State are *p. 2, App. B. the same in effect as those* laid down by the Government of India in 1876, which have already been acted upon.

p. 11, App. B. 48. In reply I informed Mr. Moberly that I should aim not at reconstruction but at continuance of the improved system introduced into the Islands by the Madras Government with the approval of the Government of India to be †p. 2, App. B. maintained by me, as directed in the letter† from the Officiating Secretary to the Government of India, Foreign Department, dated the 2nd March 1876, No. 594, P.

* Collector's letter dated 25-5-96, page 34, App. B.

My letter dated 27-5-96, page 34, App. B.

Collector's letter dated 24-5-96, page 35, App. B.

" " " 28-5-96, " 36, "

My letter dated 31-5-96, page 37, App. B.

" " " 31-5-96, " 38, "

Collector's letter dated 1-6-96, page 38, App. B.

My letter dated 24-6-96, page 40, App. B.

Collector's letter dated 9-7-96, page 42, App. B.

Secretary of State was probably not aware of the fact that an improved system of administration had already been introduced into, and is at the present time in force in, the Islands with the approval of the Governor-General, as enjoined in the Government of India's Order quoted in para 48 above. I also stated that as the wishes of the Secretary of State had in the matter of the administration been anticipated, it was hoped that the Government of Madras would be in a position to submit the report called for "*at an earlier date*" than three years, as directed by the Secretary of State. Mr. Hewetson then gave up the position he had previously taken up and informed me that an improved system meant the substitution of a better system for the present monopoly system. This was, I thought, probably expressed without a knowledge of the efforts previously made without success in that direction. Any change in this matter would in the primitive condition of the Islanders be opposed as a revolutionary measure. Mr Logan, than whom there is not a better authority on the Island affairs, told me more than once that he could not devise a scheme in lieu of the monopoly which would be welcome to the people or workable in practice and that certain proposals submitted had not met with approval. Indeed if this was considered a burning question, the Government would certainly have devised a practical scheme during the twenty-two years the Islands have remained under sequestration. To say therefore that a better system should be introduced into the Islands instead of the monopoly system before their rendition is, I submit, to postpone the event indefinitely.

49. In the correspondence* which followed Mr. Hewetson took up the position that the Secretary of State's order was not to restore the Islands to me for three years. But I took the liberty of differing from him. The

50. Having thus briefly referred to the main points at issue, it only remains for me to refer to an incident which occurred at my interview with His Excellency the Governor at Cannanore in October last. On that occasion His Excellency told me that he had received a report from Mr. Hewetson that the Islanders were unwilling to return their allegiance to me. This, I submitted at the time, must have been the result of a misapprehension.

51. Mr. Hewetson was ignorant of Malayalam in use in the Islands. It was originally arranged that a Representative of mine should go with the Collector to the Islands to get an insight into the administration preparatory to the restoration of the Islands to me. In his letter No. 305, of the 30th October 1895, Mr. Hewetson intimated to me that my Representative would be given a cabin on board the steamer. But in his letters Nos. 161 and 168, dated respectively the 11th and 23rd November 1895, he informed me that only *deck* accommodation could be provided for my Representative. I could not help regretting that my Representative should be considered deserving of nothing better than a deck passage and accordingly I informed him that I was unable to send a Representative, worthy the name, as a deck passenger. The result was that I deputed an intelligent clerk familiar with English. It was not known at the time that Mr. Hewetson was to feel the public pulse on the Islands as to the restoration of the Islands, attached for arrears of tribute. The clerk, however, on his return, reported to me that he was present when the Islanders were questioned by Mr. Hewetson whether they had any objection to return to my sway and that all of them expressed their willingness to do so, though a few from Kalpeni added that they should be permitted to petition the Government if they suffered any hardships under my administration. I was aware that it was at the time reported in certain newspapers that a few designing persons in Calicut from selfish motives were instigating petitions, pseudonymous or otherwise, against the restoration of the Islands to me.

52. To sum up:—I beg to submit that

- (1) the accounts furnished to me by the Collector do not appear correct;
- (2) instead of having to pay any arrears, I am entitled to a *surplus*, as exhibited in Appendix A;
- (3) the apportionment of the tribute fixed by the Treaty with the Honourable East India Company in 1796 is illegal and impolitic;
- (4) the charging of simple or compound interest on the arrears of tribute is not sanctioned by the Treaty, nor by custom;
- (5) the apportionment of the Amini Divi compensation is illegal;
- (6) the charging of interest on temporary loans taken by Government, from Government, for Government management, is unfair and inequitable;
- (7) the tribute should be as fixed by the Treaty and not as appears in the account;
- (8) the inaccuracies in the accounts call for a systematic auditing;
- (9) as the order of the Government of India was to sequester the Islands "until the arrears of the tribute are cleared off", their continued

retention under attachment when there is a large *surplus* is opposed to the order; and

- (10) the Secretary of State's Order to introduce an improved system of administration has been anticipated, and an improved system has been in force in the Islands for more than twenty years;

53. I respectfully beg that the Government may be pleased to give early effect to the orders of the Right Honourable the Secretary of State for India for the restoration of the Islands to me.

As under the Treaty, the Abkari Revenue of the Karar territory is included in the tribute and ought as such to be subject to my control, I shall address the Government separately on this subject, as well as on certain extra charges, imposed on me.

I have the honour to be,

Sir,

Your most obedient Servant,

SULTAN MUSSA ALI RAJA OF CANNANORE.

From
Sultan Mussa Ali Raja
of Cannanore.

To
The Chief Secretary to Government,
Political Department,
MADRAS.

Dated 22nd March
Despatched
Received
1897.

No.

Enclosures 2.

Laccadive Islands. — Reviews succinctly the accounts furnished by the Collector of Malabar relating to the—, states that the result appears to be a surplus and not a deficit, as made out by the Collector, solicits a regular audit of the accounts, and prays meanwhile for the speedy restoration of the Islands, as ordered by the Right Honourable the Secretary of State for India.

Appendix B.

CHIEF SECRETARY
2 DEC. 1897
GOVERNMENT OF MADRAS

XXXV.

I, Beebee Bulea, the Princess of Cannanore and of the Laccadives Islands, &c., do acknowledge and given in writing that I will pay to the Government of the English East India Company the moiety of whatever is the produce of my country according to the funds thereof, and out of the Rs. 20,000 annual profit which I reap from my trade with the Laccadives, I am also to pay the half to Government, besides of which I do stipulate to pay in like manner the half of whatever further income or profit from the said lands or trade shall be hereafter ascertained to accrue to me by the enquiries of the officers of Government.

And as it has been signified to me that after the rains a gentleman is to proceed to the Laccadives to sequester them for the advantage of the Honourable Company's Government and to appropriate to the use of the said Government all the produce thereof, I do therefore engage to submit also to this, if it shall be ordered by the Governor-General in Council neither shall I in any shape object thereto or otherwise if it be so ordered, I shall be ready to account for the true income and produce and pay the same to Government, wherefore I have written these few lines as a Mochulka for the revenue of Government.

Note.—The above engagement was signed by the Beebee on the 13th April 1793 in the presence of Mr. Jonathan Duncan's Interpreter, Muhammad Hussain, deputed by Mr. Duncan for the purpose, as per Joint Commissioner's Diary of that date. The text has been compared with the copy in Aitchison's Collection, Vol. V, page 394.

(Page 181 of the District Manual, Vol. III.)

CXXVI.

I, Beeby Bulea, Lady of Cannanore, do agree and give this writing to witness that I will pay to the Government of the Honourable English East India Company 15,000 rupees per annum being the jumma on the houses, purrams, &c., situated at and near Cannanore, on my trade to the Laccadive Islands and on my jelm property on the said islands, and I do further agree to pay the said amount of Rs. 15,000 at three different kists, the first or 5,000 rupees on the 15th of Danoo, the second or 5,000 rupees on the 15th of Meddom, the third or 5,000 rupees at the end of Chengem. This article of agreement is not to do away, nor is it meant to do away in any shape the rights which the Government have to the Laccadive Islands, as is set forth in my Machulka, dated 9th April 1796, or 27th Shalam 1207, Hejera.

2nd. I do agree to pay the customs on all articles of merchandize whether imported or exported by me, in the same manner, and at the same rates, as the merchants of Malabar save upon the coir imports from the Laccadives.

3
1784

3rd. I give up my pretensions to the one-fifth share of collections, which is granted by Government to the Rajas of Malabar being convinced that I have no right to insist on the said allowance.

4th. I give up all my right and title unto the Honourable Company which I have claimed to the Tarrahs of Canatoor and Canotchalley, and do agree that the Company shall make the collections in any manner they may think proper, except through the medium of the Cherical Raja which I most earnestly solicit may not be granted to him.

5th. And I do agree to pay all arrears on account of customs, except upon the coir which I may have imported from the Laccadives.

CANNANORE,
28th October 1796 or
M. S. Toolam, 972. }

(Sd.) BEEBY BALEA.

Witnesses.

Balajee Row Dewan.

Rama Row Pescar.

Govind Wiswanathjee.

Note.—From the Diary of the Second Malabar Commission, dated 1st November 1796, and the text compared with the treaty in Aitchison's Collections, Vol. V, p. 395.

(Page 259, Malabar District Manual, Vol. III.)

POLITICAL DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Extract from letter from the Officiating Secretary to the Government of India, Foreign Department, dated 2nd March 1876, No. 594 P.

2. The islands can remain in sequestration until the arrears of the tribute are cleared off, and meanwhile the Madras Government should organize and submit for approval of the Government of India, a proper system of fiscal and judicial administration, and it can be intimated to Ali Rajah that the restoration of the Islands to the management of himself and his successors will be conditional on his engaging to retain the agency and the system introduced by the British Government.

3. The grant to Ali Rajah and his successors of a Malikana of 20 per cent. on the normal revenue of the said islands is sanctioned for such period as the islands remain in sequestration.

(True Extract).

MALABAR COLLECTOR'S OFFICE,
CALICUT, 23rd May 1876. }

(Sd.) W. LOGAN,
Collector.

To

SULTAN ALI RAJAH, CANNANORE, FOR INFORMATION.

CALICUT, 30th May 1894.

DEAR SIR,

You are aware that the administration of the Laccadive Islands has been practically taken out of your hands for a good many years past, and that the arrears of Peishkush due to Government now amount to a considerable sum. The Government finds that your present nominal sovereignty over them is a bar to the introduction of much needed reforms. Although they are nominally yours, you have no real control over them, nor is it likely that the Government will consent to restore them to you under any circumstances.

I am therefore directed to consult you as to the terms upon which you would be willing to make the Islands over to the Government. Liberal remission of the arrears now amounting to 35,000 Rupees, would, of course, be granted, as well as a reduction of Peishkush.

It is unnecessary for me to remind you that your present position as a revenue defaulter is not a very dignified one, and you will probably see the advantage of exchanging a nominal sovereignty for complete freedom from arrears, and a tangible reduction in Peishkush.

I am asking the Sub-Collector to see you with a view to coming to an amicable settlement of the matter, and to discuss the terms upon which you would be willing to make over the Islands to Government.

Yours faithfully,

(Sd.) HERBERT BRADLEY.

M. R. RY. ALI RAJAH AVERGAL.

CANNANORE, 9th August 1894.

DEAR SIR,

Referring to your letter, dated the 30th May last, and to our conversation of the 19th July on the subject thereof, I beg to state that, in view to the importance of the matter, I have had an approximate estimate of my financial position made out, which shews that with economical management on a reformed basis, I shall be able to liquidate the arrears of Peishkush, said now to amount to Rs. 35,000 in the near future.

2. It is a painful surprise to me to find in your letter, that my sovereignty over the Laccadive Islands, which you have been pleased to characterise as nominal, has been a bar to the introduction of much needed reforms, and what is more painful, is the sudden warning, that it is unlikely that the Government will consent to restore them to me under any circumstances.

3. So far as I am aware, I have not in any way, directly or indirectly, stood in the way of Government introducing any reforms in the Islands, and I shall be glad to know the circumstances which have led you to the conclusion that my sovereignty is a bar to improvements.

4. I can hardly bring myself to believe, that the Government will ever wish to add to their vast possessions, by depriving me of my sovereignty over the Lac-

cadives, especially when regard is had to the fact, that I am second to none in my loyalty and allegiance to the British Raj. Compared to the Territory under the British Government, the Laccadives are, in extent, a mere drop in an ocean. To deprive me of the Islands will, I submit, be in keeping neither with the declared policy of Government, nor with the benign sentiments expressed by the Government of India, when the Islands were sequestered.

5. I regret to have to inform you, that I have not had any accounts of the receipts and charges of the islands since Fasli 1294 (July 1884 to June 1885). Of course, the accounts furnished, from Fasli 1285 to 1294, leave much to be desired, in respect of details, which will be made the subject of a separate communication, in due course. Meanwhile I beg you will be good enough to direct, that the accounts due and promised in your letter No. ^{1004 P.}_{GL}, dated the 23rd September 1892, be furnished to me at an early date. I regret, and apologise for, the delay in this letter, which was unavoidable.

I remain,

Dear Sir,

Yours faithfully,

(Sd.) ALI RAJAH OF CANNANORE.

H. BRADLEY, Esq.,

Ag. Collector of Malabar.

No. 153.

To

CANNANORE, 17th November 1894.

THE COLLECTOR OF MALABAR,

Calicut.

SIR,

Referring to para. 5 of my letter to Mr. Bradley, dated the 9th August last, I have the honor to make the following observations on the accounts of the Laccadive Islands furnished to me. It would, I think, simplify matters if the accounts of each Island and those relating to the Mainland were separately dealt with.

2. I would at the outset bring to your notice that I have not been favoured with an account showing the arrears of tribute and the extent to which they have been reduced from year to year. I beg that you will be good enough to direct that a detailed statement of the arrears which have from time to time accrued and been discharged be forwarded to me.

3. I shall in this letter discuss the charges incurred on the Mainland, in the hope you will be pleased to enlighten me on the points which are not clear to me.

4. The Amini Divi compensation, Rs. 5,250, appears to have been adjusted only in five out of eighteen years towards the reduction of arrears. What was done with it during the remaining thirteen years does not appear from the accounts. I request information on this point.

5. In this connection I beg also to draw your special attention to what appears to me to be a questionable mode of adjustment. The compensation of Rs. 5,250 is, you are aware, due to me from Government on an account quite distinct from the Islands under sequestration. Instead of paying the amount to me, it is credited to Government in liquidation of the arrears, and ought therefore to find a place only on the "Receipt" side and not on the "Debit" side at all. If the sum was paid out of the income derived from the Islands under attachment, as was done in the years 1877-78, 1879-80, 1881-82, &c., I could understand it being debited to the Island accounts. But, as already observed, it is a payment due to me from an independent source and as such should not, I think, find a place under "Charges." This is most important, inasmuch as the Island charges would be reduced by a very large amount, Rs. 21,000, and the receipts considerably increased—a circumstance which will greatly augment the funds for payment of the arrears. But it will be observed that the Amini Divi compensation was included under Charges for four years in 1888-89 to 1891-92, and exhibited under Receipts during the same period, the result achieved being a zero so far as the reduction of the arrears was concerned. If, on the other hand, the amount be eliminated from the expenditure side as it ought to be, there will be a saving of Rs. 21,000 to be transferred to the Receipt side, which means that the arrears will be correspondingly reduced. If this is done, the arrears which Mr. Bradley said amounted to Rs. 35,000 in May last will be merely Rs. 14,000. If you agree with my view of the account, I request you will be good enough to order the accounts to be amended and to furnish me with a correct Balance Sheet.

6. The item "Sundries" under expenditure is, as a general rule, inconsiderable, intended as it is to meet trifling unforeseen charges too petty to merit special details. But the figures appearing under this head in the statement under discussion are so large—indeed in the majority of cases infinitely larger than the figures given under specific heads—that I cannot help applying for detailed information in regard to them. In 1875-76 and 1876-77, the charge under "Sundries" was merely Rs. 116 and Rs. 236, respectively. But in 1877-78 it was Rs. 7,406 and rose to Rs. 12,100 in 1879-80, but dwindled to one rupee fourteen annas in 1880-81, only to swell again to Rs. 16,479 in the following year. In 1882-83 it stood at Rs. 814, but was so high as Rs. 27,840 in 1884-85 and reached the startling figure Rs. 32,229 in 1885-86. In 1886-87 it was Rs. 15,380 and rose to Rs. 21,958 in 1887-88. In 1888-89 it declined to Rs. 134 to rise again Rs. 1,136 in 1889-90 and to Rs. 6,174 in 1891-92 and to Rs. 14,187 in the succeeding year. These figures under Sundries form a remarkable feature in the accounts. As the items constituting "Sundries" have recurred from year to year, there would probably be no difficulty in exhibiting them under appropriate distinct heads.

7. Under payment of temporary loan appears a sum of Rs. 30,473 in 1890-91, Rs. 10,760 in 1891-92 and Rs. 32,634 in 1892-93. In the statement under Receipts these sums severally were Rs. 30,000, Rs. 10,500 and Rs. 32,000. I beg to know what these loans were for and how the repayment exceeds the Receipts. It is unlikely that interest would be charged on loans contracted by, and on behalf

of, Government on account of Government management. I beg to draw your attention to this matter.

8. In 1875-76 and 1876-77, Rs. 200 and Rs. 100 are respectively shown under "advance recoverable." I wish to know what the nature of these Advances was and how it differs from "Temporary loans" discussed in para. 7 above.

9. The charge on "Establishment" is I believe constant, which as a rule does not undergo any variation. But the fluctuations under this head in the accounts furnished are very striking. In 1875-76 the charges under this head amounted to Rs. 405, but rose to Rs. 1,325 in 1882-83 and culminated in Rs. 1,409 in 1883-84. Again in 1876-77 they stood at Rs. 603, fell to Rs. 565 in 1877-78 and to Rs. 541 in 1878-79, but rose to Rs. 701 in 1879-80, and again fell to Rs. 560 in 1880-81, and again rose to Rs. 666 in the following year. In 1884-85 they stood as high as Rs. 1,099, fell to Rs. 737 in 1885-86, and increased to Rs. 926 in 1886-87 and declined to Rs. 707 in 1887-88 and 1889-90, again rose to Rs. 930 in 1888-89, stood at Rs. 801 in 1890-91 and at Rs. 708 in 1891-92 to 1892-93. These charges are, it will be remembered, over and above those incurred on the Islands. That an establishment costing Rs. 1,409 which is *three* times more than what was incurred in 1875-76 will be necessary on the Mainland, for supervising the work of five poor Islands is a matter which demands attention. The fact of smaller establishment having been found adequate in certain years shows that higher charges were not indispensable. I beg to be informed of the reasons for these fluctuations and of the strength of the Establishment on the Mainland.

10. I was under the impression that the Island establishment on the Mainland was stationary, having no travelling to perform in the interests of the Islands. This position receives corroboration from the fact that from 1875-76 to 1884-85, a period of ten years, no expenditure whatever was incurred under travelling. In 1885-86 a sum of Rs. 39 was for the first time spent in travelling, which rose to Rs. 196 in 1886-87 and fell to Rs. 5 in 1887-88, but stood at sums varying from Rs. 23 to Rs. 89 in the following years. Rs. 196 spent in 1886-87 gives an average of more than Rs. 17 *per mensem* in travelling alone. I beg to bring this fact to your notice as an instance in recent years of overgrowth in expenditure.

11. The pay of the Establishment as well as its travelling expenses and stationary requirements being provided for, I do not know what further charge in the shape of "Sundries" has to be met under that head. "Sundry" charges were however incurred in 7 out of 18 years.

12. In 1875-76 Rs. 330 was paid as Sea Customs charges. During the succeeding eleven years there was no charge under this head and in 1887-88 it dwindled to 13 annas. In 1889-90 it stood at Rs. 137 and rose to Rs. 198 in 1890-91, to Rs. 441 in 1891-92 and to Rs. 586 in 1892-93. Seeing that each Island has a separate charge under this head, I do not know how there could be a similar charge in respect of the Mainland. I beg to know what these charges were and what the disturbing elements which have increased them in recent years.

13. Under the head of "Charges on periodical visits" there is a sum of Rs. 207 in 1892-93, though no such charge was incurred in any of the previous

years. I beg to be informed what this special charge was. Similarly there is an isolated charge of Rs. 155 under boat hire and pilot charges, &c., in 1890-91. How this necessity arose on the Mainland in one out of eighteen years, I do not know.

14. In conclusion I beg to state that if a copy of the Annual Financial Report could be furnished to me, the necessity for a good deal of these enquiries would perhaps disappear.

I have the honor to be, &c.,

(Sd.) ALI RAJAH OF CANNANORE.

Ref. on C. No. ^{321 Isl.}/₉₅

MALABAR COLLECTOR'S OFFICE,
CALICUT, 15th March 1895.

FROM

HENRY MOBERLY, ESQUIRE,
Ag. Collector of Malabar.

TO

M.R.RY. ALI RAJAH AVERGAL,
Cannanore.

SIR,

In reply to your letter of 17th November 1894, I have the honor to inform you that I do not fully understand what information you require. Apparently you wish to be furnished with a copy of the Annual Financial Report. This I cannot give as Government has declined to let you have a copy.

2. If you will depute Mr. Kunhi Kannan to discuss matters with me, I shall be glad to give him what information I can and to explain matters as far as possible.

3. I hope to go into camp shortly, so shall not be able to see Mr. Kunhi Kannan till after the Easter Holidays.

I have, &c.,

(Sd.) R. F. AUSTIN,
for Ag. Collector.

CANNANORE, 21st March 1895.

No. 373.

TO

H. MOBERLY, Esq.,
Ag. Collector of Malabar, Calicut.

SIR,

I have the honor to acknowledge the receipt of your letter No. 321, dated the 15th, which reached me on the 20th instant. If my letter of the 17th November last, No. 153, in which I aimed at brevity consistent with clearness has been found by you to be wanting in precision, I regret it. If you had kindly indicated what part of the letter was not fully understood, I could have easily explained it. In

this communication I shall with your permission endeavour to specify the information I require *Seriatim*, in interrogatory form which conduces to brevity and facilitates answer. I was not particularly desirous of obtaining a copy of the annual financial report which was only incidentally referred to at the close of my letter.

p. 4. 2. I beg to be favoured with a statement showing the arrears of tribute in each year since the sequestration of the Islands and the extent to which they were reduced during the same period. (Para. 2 of my letter of 17th November last).

p. 4. 3. The accounts furnished show that the Amini Divi Compensation was credited in accounts only in 5 out of 18 years. I wish to know what was done with Rs. 68,250 due for the remaining 13 years. (Para. 4).

p. 5. 4. Why was the sum of Rs. 21,000 due to me under the above head debited to the Island accounts from 1888-89 to 1891-92? (Para. 5.)

p. 5. 5. What items constitute charges under "Sundries?" what are the figures under each item? (Para. 6.)

p. 5. 6. How does the repayment of "temporary loans" exceed the sums borrowed? why were these loans contracted? (Para. 7.)

p. 6. 7. How does "advance recoverable" differ from "temporary loans" and what was the former for? (Para. 8.)

p. 6. 8. What is the fluctuation under "establishment charges" on the Mainland owing to? what contributed to swell the charge under this head? I beg to be favoured with a list of the establishment on the Mainland. (Para. 9.)

p. 6. 9. What need was there for the Island establishment to travel on the Mainland in the interests of the Island? (Para. 10.)

p. 6. 10. What items constitute "Sundries" under establishment? (Para. 11.)

p. 6. 11. What were the Sea Customs charges in respect of the Mainland over and above those incurred in regard to each island? (Para. 12.)

p. 6. 12. What was the special charge amounting to Rs. 207 incurred on "periodical visits?" (Para. 13.)

p. 7. 13. What was the occasion for spending Rs. 155 as Pilot charges and boat hire on the Mainland? (Para. 13.)

14. Should you think, after favouring me with information on the above points, that Mr. C. Kunhi Kannan should be deputed to discuss matters personally, I shall be glad to issue the necessary instructions, even though this is a very busy season and he can be ill spared.

I have postponed the review of the accounts relating to the Islands pending the favour of a reply to the remarks on the accounts of the Mainland.

I have, &c.,

(Sd.) ALI RAJAH OF CANNANORE.

CANNANORE, 23rd May 1895.

DEAR SIR,

You were pleased to tell me at our recent interview, that you would, on your return to Calicut, favor me with an account of the arrears due by me, and of the amount Government had lately ordered to be remitted. I beg to remind you of this and shall be thankful if the information is kindly furnished.

I am,

Yours truly,

(Sd.) ALI RAJAH OF CANNANORE.

Dis. No. $\frac{112 \text{ Isl.}}{95}$

MALABAR COLLECTOR'S OFFICE,
CALICUT, 6th July 1895.

FROM

H. MOBERLY, Esq.,
Ag. Collector of Malabar.

TO

M.R.Ry. ALI RAJAH AVERGAL,
Cannanore.

SIR,

With reference to your demi-official, dated 23rd May last, I have the honor to inform you that at the end of Fasli 1303, the amount of arrears worked out as in previous years amounted to Rs. 75,118-11-4. But the figures have been revised under the orders of Government and the result of the revision is that these arrears have been reduced to Rs. 45,425-4-1. To this should now be added the arrears which have accrued since. I regret the delay in furnishing this information. p. 15-25-33-19

I have, &c.,

(Sd.) R. F. AUSTIN,
for Ag. Collector.

CANNANORE, 12th July 1895.

DEAR SIR,

I beg to thank you for your kind letter of the 6th instant informing me that at the end of Fasli 1303, the arrears due by me amounted to Rs. 75,118 and that they were reduced to Rs. 45,425 under the orders of Government. In other words the Government has been pleased to direct a sum of Rs. 29,693 to be struck off. I am, I feel, indebted to you for this kindness. p. 25-33

But I beg to state that in a letter sent to me by Mr. Bradley on 30th May 1894, i.e., Fasli 1303, he said that the arrears were merely Rs. 35,000. The letter under reference shows that they are more than double of what Mr. Bradley said was due by me. I beg your kind attention to this fact and hope you will order it to be looked into. p. 3

My letter regarding the discrepancies in the Island accounts has not yet been replied to. You kindly told me that the matter would be referred to the Board of Revenue. In the present state of the Island accounts which you remarked is not very satisfactory, an adjustment of the Receipts and Charges on a simple and clear basis, is, I submit, called for. If the proposed reference has been made to the Board, I shall be much obliged by your kindly favouring me with the result. I beg to suggest that the Island accounts be audited by a professional auditor of the Accountant General's Office which will be satisfactory to all concerned.

&c., &c., &c.
(Sd.) ALI RAJAH OF CANNANORE.

Refer No. ⁶⁸
Conf.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 13th August 1895.

Confidential.

FROM

H. MOBERLY, Esq.,
Ag. Collector of Malabar,
Calicut.

TO

M. R. RY. ALI RAJAH AVERGAL,
Cannanore.

SIR,

I am directed by the Board of Revenue to inform you that the Right Hon'ble Her Majesty's Secretary of State for India has decided that "the opportunity of the existing temporary British attachment of the Islands should be utilized in order to improve the administration and to establish the improved system on a permanent basis, and that the continuance of such improved system should be one of the conditions of the restoration of the Islands" to you.

2. I have accordingly received instructions to submit proposals "for the introduction into these Islands of such a scheme of administration, combined with (your) authority." The Right Hon'ble the Secretary of State expects to be furnished with a report on the progress made in the introduction of such administrative system and on the conditions on which the islands could be transferred to native rule; and this report is to be sent within 3 years or at an earlier date if the Madras Government deems it expedient.

3. This decision in regard to the future administration of the Laccadive Islands must set at rest any apprehensions you may have had to the contrary. The restoration of your authority in the Islands will entirely depend upon your proving yourself worthy of being tentatively entrusted with the administration.

4. With a view therefore to give effect to the decision of Her Majesty's Government above referred to, I have the honor to request you to furnish me with any proposals you may wish to make as to the future administration of the Laccadives. An administrative system which will meet with the approval of Government must be founded on well-defined laws. It is thus of primary importance to consider what laws may be introduced in the islands with due regard to their primitive conditions and requirements. The agency by which such laws should be administered is another subject on which your views are invited.

5. An early answer will oblige.

I have, &c.,
(Sd.) H. MOBERLY,
Ag. Collector.

Confidential.

CANNANORE, 19th August 1895.

No 559.

TO

H. MOBERLY, Esquire,
Acting Collector of Malabar,
Calicut.

SIR,

Referring to your letter, dated the 13th Instant No. 68 (Confidential), I have the honor to request you will be good enough to favour me with information on the following points.

(a) What is the staff of establishment now maintained on each Island, and what is their pay and what are their powers and qualifications?

(b) What Rules or Laws have been laid down for civil, criminal and fiscal administration in each Island, how have they worked hitherto and has experience rendered any modifications necessary? A copy of the Rules or Laws now in force is solicited.

2. I believe the present system of administration was introduced into the Islands with the approval of the Government of India to be continued by me, as directed in the letter from the Officiating Secretary to the Government of India, Foreign Department, dated the 2nd March 1876, No. 594 P, to the Government of Madras. My aim shall, at all events for the present, be not at reconstruction but continuance of the system which has been in force under the temporary British attachment of the Islands for arrears of tribute.

3. I shall be thankful if the accounts of the Islands promised by you are furnished to me.

I have, &c.,
(Sd.) ALI RAJAH OF CANNANORE.

Dis. No. $\frac{130 \text{ Isl.}}{95}$

FROM
H. MOBERLY, ESQUIRE,
Ag. Collector of Malabar.

TO
M.R.RY. ALI RAJAH AVERGAL,
of Cannanore.

SIR,
With reference to your letter dated 19th August 1895, No. 559 Conf., I have the honour to state that the following establishment is maintained on each Island.

Androth.

	Rs.
Amin ...	20
Gumastah ...	10
Schoolmaster ...	15
2 Peons @ Rs. 4 each...	8
Total Rs...	53 per mensem.

Kalpeni.

	Rs.
Amin ...	20
Gumastah ...	7
Schoolmaster ...	3
2 Peons @ Rs. 4 each ...	8
Total Rs...	38 per mensem.

Kavarathi and Agathi.

The same as at Kalpeni.

Minicoy.

	Rs.	A.	P.
Amin ...	30	0	0
Gumastah ...	15	0	0
Schoolmaster ...	10	0	0
3 peons at Rs. 4-8 each.	13	8	0
Total Rs...	68	8	0 per mensem.

2. The powers of the Amin are described at page 286, Vol. II of the District Manual. A list of offences, which the Amins have been authorized to take cognizance of, is enclosed.

3. I request that you will, as desired, in my letter dated 13th ultimo, Reference C. No. $\frac{68 \text{ Conf.}}{95}$ furnish me with any proposals you may wish to make as to the future administration of the Islands.

I have, &c.,
(Sd.) T. VARADA RAO,
Asst. for Ag. Collector.

LIST OF OFFENCES.

1. Theft.
2. Theft in a building.
3. Affray.
4. Assault.
5. Criminal force.
6. Hurt.
7. Obstructing the seizure of stray cattle.
8. Failing to attend the Cutcherry when legally ordered to do so, without reasonable excuse.
9. Obstructing the execution of a legal order of the Amin or other public servant.
10. Disobeying a legal order issued by the Amin or other public servant.
11. Failing to give information of births and deaths to the Amin, (this offence is punishable only with fine not exceeding Rs. 5).
12. Failing to assist in hauling or launching out a boat. (This offence is punishable only with a fine of Rs. 2 or in default of payment with imprisonment for 3 days.
14. Injury to property.
15. Criminal trespass.

(Sd.) W. LOGAN,
Collector.

(True copy.)

(Sd.) T. VARADA RAO,
Asst. for Ag. Collector.

Ref. on C. No. $\frac{465 \text{ Isl.}}{95}$

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar.

TO

M. R. RY. ALI RAJAH AVERGAL,
of Cannanore.

SIR,

I have the honor to forward herewith copies of statements of income and expenditure of the Laccadive Islands for Faslis 1303 and 1304, as requested by you, in your letter No. 720, dated the 2nd instant.

2. Information on the other points raised by you will be furnished later on. 4.4.7.

I have the honor to be, &c.,

(Sd.) R. F. AUSTIN,
for Ag. Collector.

TELEGRAM.

To

CALICUT.

COLLECTOR OF MALABAR,

Calicut.

From

CANNANORE.

ALI RAJAH.

pp. 4-7.
Please inform when I may expect informations required in letters of 17th November 1894, No. 153, and 21st March last, No. 373.

CANNANORE, }
13th January 1896. }

Ref. on C. No. ²/_{Isl. 96.}

FROM

A. F. PINHEY, ESQUIRE,

Ag. Sub-Collector in charge.

To

M.R.RY. ALI RAJAH AVERGAL,

of Cannanore.

SIR,

With reference to your telegram dated the 13th instant, requesting to be informed when you might expect information on the points raised by you in letters No. 153 of 17th November 1894, and No. 373 of 21st March last, I have the honor to state that the accounts are being checked and that you will be furnished with the information required by you as soon as the Collector returns from the Islands.

I have, &c.,
(Sd.) R. F. AUSTIN,
for Ag. Sub-Collector in charge.

No. 125.

To

THE COLLECTOR OF MALABAR,

Calicut.

SIR,

I regret to have to inform you that more than two months have elapsed since I was told in your office letter No. 2, dated the 16th January last, that the Island accounts were being checked and would be furnished to me as soon as you returned from the Islands.

2. I was under the impression that the accounts were annually checked and submitted to Government and that the accounts furnished to me were copies of those forwarded to Government.

3. It is nearly a year since orders were received for the restoration of the Islands to me. And I very much regret that every day's delay in the restoration

not only results in loss to me but enhances my liability. Mr. Moberly assured me that the accounts would be ready in a month at the outside.

4. I have not overlooked the fact that after your return from the Islands you were engaged in quelling the Mopla outbreak which unhappily occurred in Ernad. As that duty is now at an end I have ventured to bring the delay in the settlement of the Island accounts to your notice in the hope that they may be furnished to me at the earliest possible date.

I have, &c.,

(Sd.) SULTAN MOOSA ALI RAJAH.

No. ⁴⁴/_{Isl. 96.}

MALABAR COLLECTOR'S OFFICE,
CALICUT, 29th April 1896.

FROM

J. HEWETSON, ESQUIRE,

Ag. Collector of Malabar.

To

SULTAN MUSSA ALI RAJAH AVERGAL,

of Cannanore.

SIR,

With reference to the correspondence ending with your letter No. 720, dated 22nd December 1895, I have the honor to forward herewith a statement showing the arrears of tribute due from you and the extent to which they have been reduced from year to year. From this statement you will observe that the arrears at the end of Fasli 1303 amounted to Rs. 75,172-1-10. In Fasli 1304 the accounts underwent revision on the principle laid down by the Government of India that interest was to be charged only on the arrears due from you on account of Karar lands and the sum of Rs. 75,172-1-10 was reduced to Rs. 45,245-4-11. *pp. 9.25.52.*

2. Adverting to the remarks in paras. 4 and 5 of your letter No. 153, dated 17th November 1894, regarding the method of crediting the Amini Divi Compensation, I have to point out that till Fasli 1294 the amount in question was not brought into the accounts at all, but was held as a distinct item taken into account only in reducing the arrears of peishcush. It will be seen from the Statement No. I that in all these years the peishcush due from you has been taken not as Rs. 15,000-0-11, the full amount due, but only as Rs. 15,000-0-11 minus Rs. 5,250 or Rs. 9,750-0-11. Such being the case it is clear that you have in no way suffered by the non-inclusion of the amount in the annual statements. In Fasli 1294, the amount was for the first time included in the accounts and was shown on the receipt side only, the total receipts being shown as Rs. 86,508-7-5, but from the Statement No. I it will be seen that it was included in arriving at the surplus available to reduce the arrears, and that the peishcush due was taken as usual to be Rs. 9,750-0-11 pies, giving you the benefit of the amount so excluded. You have then no ground for complaint in that Falsi also. From Fasli 1295 to 1301, the amount appears on both sides of the account leaving the result in regard to the arrears of peishcush at zero, but it *pp. 4.5. p. 26. p. 27. p. 26. p. 26.*

will be seen from the Statement No. 1 that the peishcush due has been taken to be Rs. 9,750-0-11 only. In Fasli 1302 the amount appears on the receipt side only, but the peishcush due has been rightly taken to be the full amount of Rs 15,000-0-11. In Fasli 1303, it appears on both sides, but the peishcush due is taken at Rs. 9,750-0-11. It is thus clear that there has been no omission to take into consideration the Amini Divi Compensation towards the reduction of the peishcush, and the apparent confusion is only the result of the want of uniformity in adjusting the accounts. A statement showing the surplus available each year towards reducing the arrears of peishcush is enclosed for information.

3. The difference between the figures shown under loans on the receipt side, and those shown under the same head on the expenditure side, is due, as presumed by you, to interest being charged on the loan amount in pursuance of the orders of Government.

4. In reference to your query in para. 8, the difference between "loan" and "advance" is this. The one is what is borrowed from Government in order to meet the current expenditure, the cash on hand being insufficient for the purpose and which is intended to be repaid to Government when funds become available. The other is what is advanced from the Island funds on account of rice, salt, &c., supplied to the Islanders and which has to be recovered from them and re-credited to the Island Funds.

5. With regard to the other questions raised by you which relate to particular items of expenditure under "Sundries," "Advances recoverable," "establishment," &c. I have the honor to state that the work of tabulating the information which you require is one which will involve much time and labour, which I regret I am unable to devote to it. If you wish you may depute one of your agents to the Treasury Deputy Collector, who will be glad to furnish you with any information you may require.

I have, &c.,
(Sd.) R. F. AUSTIN,
for Ag. Collector.

No. 1.

Statement showing the arrears due from Sultan Ali Rajah of Cannanore.

Particulars.	Amount of arrears.			Interest at 6 p. c. per annum.			REMARKS.
	RS.	A.	P.	RS.	A.	P.	
Arrears from Fasli 1281 (due from Fasli 1282)	14,426	1	3	3,462	4	2	Interest for four years from the beginning of Fasli 1282 up to the end of Fasli 1285 when surplus income was available. Interest for 3 years from Fasli 1283 to 1285. Interest for 2 years from 1284 to 1285. Interest for one year for Fasli 1285.
Arrears of Fasli 1282 after deducting the compensation due to the Rajah on account of Amini Divi Island attached to South Canara District..	9,750	0	11	1,755	0	2	
Do 1283 do ...	9,750	0	11	1,170	0	1	
Do 1284 do ...	9,750	0	11	585	0	1	
Total...	43,676	4	0	6,972	4	6	
Surplus income available for crediting towards arrears on 1st July 1876	...			3,770	4	11	
Balance...	43,676	4	0	3,201	15	7	
Arrears for Fasli 1285...	9,750	0	11	...			
Total...	53,426	4	11	3,205	9	3	Interest for one year for Fasli 1286.
Surplus income available for crediting towards arrears on 1st July 1877...	...			6,407	8	10	
Balance to be deducted from the principal after paying interest ...	35,876	8	8	42,284	1	6	
Balance of principal...	17,549	12	3				
Arrears of Fasli 1286...	9,750	0	11				
Total...	27,299	13	2	1,637	15	10	Interest for one year Fasli 1287.
Surplus income available for crediting towards arrears on 1st July 1878...	...			8,128	4	11	
Balance to be deducted from the principal after paying interest ...	6,490	5	1				
Balance of principal...	20,809	8	1				
Arrears of Fasli 1287...	9,750	0	11				
Total...	30,559	9	0	1,833	9	2	Interest for one year for Fasli 1288.
Surplus income available for crediting towards arrears on 1st July 1879...	...			2,035	9	8	
Balance to be deducted from the principal after paying interest ...	202	0	6				
Balance of principal...	30,357	8	6				
Arrears of Fasli 1288...	9,750	0	11				
Total...	40,107	9	5	2,406	7	3	Interest for Fasli 1289.

Particulars.	Amount of Arrears.			Interest at 6 p. c. per annum.			REMARKS.
Surplus income available for crediting towards arrears on 1st July 1880...	RS.	A.	P.	RS.	A.	P.	
Balance to be deducted from the principal after paying interest ...	4,721	4	7	7,127	11	10	
Balance of principal...	35,386	4	10				
Arrears of Fasli 1289...	9,750	0	11				
Total...	45,136	5	9	2,708	2	11	Interest for Fasli 1290.
Surplus income available for crediting towards arrears on 1st July 1881...	...			6,822	9	4	
Balance to be deducted after paying interest ...	4,114	6	5				
Balance of principal...	41,021	15	4				
Arrears of Fasli 1290...	9,750	0	11				
Total...	50,772	0	3	3,046	5	2	Interest for Fasli 1291.
Surplus income available for crediting towards arrears on 1st July 1882...	...			21,185	11	8	
Balance to be deducted from the principal after paying interest ...	18,139	6	6				
Balance of principal...	32,632	9	9				
Arrears of Fasli 1291...	9,750	0	11				
Total...	42,382	10	8	2,542	15	4	Interest for Fasli 1292.
Surplus income available for crediting towards arrears on 1st July 1883...	...			15,664	14	1	
Balance to be deducted from the principal after paying interest ...	13,121	14	9				
Balance of principal...	29,260	11	11				
Arrears of Fasli 1292...	9,750	0	11				
Total...	39,010	12	10	2,340	10	4	Interest for Fasli 1293.
Surplus income available for crediting towards arrears on 1st July 1884...	...			36,322	7	2	
Balance to be deducted from the principal after paying interest ...	33,981	12	10				
Balance of principal...	5,229	0	0				
Arrears of Fasli 1293...	9,750	0	11				
Total...	14,779	0	11	886	11	10	Interest for Fasli 1294.
Payment made to the Rajah ...	5,000	0	0				
Arrears of Fasli 1294 ...	9,750	0	11				No interest has been charged by the Collector on this sum as it was paid under a misconception.
Total amount due by Ali Rajah on 1st July 1885 ...	29,529	1	10	886	11	10	

No. I.—(Contd.)
Statement showing the arrears of Peishcush due from Sultan Ali Rajah of Cannanore.

PARTICULARS.	Amount of Arrears.			Interest on arrears at 6 p. c. per annum.			REMARKS.
	RS.	A.	P.	RS.	A.	P.	
(1) Total amount due by Sultan Ali Rajah (at the end of Fasli 1294) on 1st July 1885 as per G. O. dated 3rd September 1885, No. 620 (Political)	(a) 29,529	1	10	886	11	10	(a) This is made up of the following items, viz., Arrears at the commencement of Fasli 1294 ... Payment made to the Sultan Ali Rajah in Fasli 1294 ... Arrears of Peishcush for Fasli 1294 ... Total Rs... 29,529 1 10 Interest for Fasli 1294 is charged only on the 1st mentioned item of Rs. 14,779-0-11 as the loan to Sultan Ali Rajah was made under a misconception and was held by Government to be not chargeable with interest.
(2) Surplus amount available for crediting towards arrears on 1st July 1885 as per Administration Report for Fasli 1294 recorded in B. P. dated 13th November 1885, No. 3108	...			(b) 3,012	5	9	(b) This amount is arrived at as follows:— Total receipts exclusive of the Anni Divi Compensation of Rs. 5,250 as per para. 11 of the Administration Report ... Deduct disbursements exclusive of the loans of Rs. 5,000 made to Sultan Ali Rajah and Rs. 20,000 credited towards peishcush accounts... Balance Rs... 3,012 5 9
(3) Balance to be deducted from the principal after paying interest for Fasli 1294	2,125	9	11	...			
(4) Balance of principal (at the commencement of Fasli 1295) on 1st July 1885	27,403	7	11	(c) 1,344	3	4	(c) Interest for Fasli 1295 is charged on Rs. 22,403-7-11 i. e., 27,403-7-11 minus Rs. 5,000 paid to Sultan Ali Rajah under a misconception.
(5) Arrears of Peishcush for Fasli 1295	9,750	0	11	...			

PARTICULARS.	Amount of arrears, Rs. A. P.	Interest on arrears at 6 p.c. per annum. Rs. A. P.	REMARKS.
(6) Add deficit for Fasli 1295 adjustable on 1st July 1886 as per Administration Report recorded in G. O. dated 11th December 1886 No. 1051, Political	(2) 8,506 10 1		(d) This amount is arrived at as follows:— Total receipts as per para 20 of the Administration Report 75,856 8 10 Deduct Disbursement 85,249 4 9 Difference Rs... 9,392 11 11 Deduct interest charged on the disbursement side accounts (Rs. 1,062-1-2) minus 175-15-4 as explained in item No. 9 (c) para 19 of the Administration Report 886 1 10 Net Deficit Rs... 8,506 10 1
(7) Total amount of principal at the end of Fasli 1295 or at the commencement of Fasli 1296, viz., 1st July 1886	45,660 2 11	(e) 1,929 3 5	(e) Interest for Fasli 1296 is charged only on Rs. 32,153-8-10, i.e., exclusive of the deficit amount of Rs. 8,506-10-1 and the loan of Rs. 5,000 made to Sultan Ali Rajah under a misconception.
(8) Arrears of Peishcush for Fasli 1296	9,750 0 11		
(9) Total amount of principal and interest at the end of Fasli 1296	55,410 3 10	(f) 3,273 6 9	
(10) Surplus amount available for crediting towards arrears on 1st July 1887 as per Administration Report for Fasli 1296 recorded in B. P. dated 13th April 1888, No. 362 (Land Revenue)		(f) 4,102 6 7	(f) This amount is arrived at as follows:— Total receipts as para 10 of the Administration Report 55,350 0 4 Deduct Disbursements 51,299 3 0 Balance Rs .. 4,050 13 4 Add payment of interest already included in the disbursements (<i>vide</i> item No. 9 (d) of the report... 51 9 3 Total Rs... 4,102 6 7
(11) Balance to be deducted from the principal after paying interest for Fasli 1295 and 1296	(g) 828 15 10		(g) This amount is set off as a 1st charge on the deficit (Rs. 8,506-10-1) of Fasli 1295 in order to reduce <i>pro tanto</i> the amount which does not carry any interest. The balance of deficit is thus reduced to Rs. 7,677-10-3.

(12) Balance of principal (at commencement of Fasli 1297) on 1st July 1887	54,581 4 0	(h) 2,514 3 5	(h) Interest for Fasli 1297 is charged on Rs. 41,903-9-9 which is the difference between Rs. 54,581-4-0 and Rs. 12,677-10-3 made up of the deficit of Rs. 7,677-10-3 and of Rs. 5,000 paid to Sultan Ali Rajah under a misconception.
(13) Arrears of Peishcush for Fasli 1297	9,750 0 11		
(14) Total amount of principal and interest at the end of Fasli 1297	64,331 4 11	2,514 3 5	
(15) Add deficit for Fasli 1297 (adjustable on 1st July 1888)	(i) 2,557 14 10		(i) This amount is arrived at as follows:— Receipts as per para 5 of the Administration Report printed with B. P. dated 11th June 1889 No. 401 Deduct Disbursements including repayment of a loan of Rs. 10,000 58,005 5 3 Against this deficit there is an unsold stock of 990 candies of coir worth Rs. 29,700 and it seems therefore hardly fair to charge any interest on the supposed deficit. 60,563 4 1 Interest for arrears of Fasli 1298 is charged on Rs. 51,653-10-8 which is the difference between Rs. 66,889-3-9 and Rs. 15,235-9-1 which is made up of the following items, (1) Loan to Sultan Ali Rajah 5,000 0 0 (2) Balance of deficit for Fasli 1295 7,677 10 3 (3) Deficit for Fasli 1297 2,557 14 10 Total Rs... 15,235 9 1
(16) Total amount of principal and interest at commencement of Fasli 1298 i.e., on 1st July 1888	66,889 3 9	(j) 3,099 3 6	(j) Interest for arrears of Fasli 1298 is charged on Rs. 51,653-10-8 which is the difference between Rs. 66,889-3-9 and Rs. 15,235-9-1 which is made up of the following items, (1) Loan to Sultan Ali Rajah 5,000 0 0 (2) Balance of deficit for Fasli 1295 7,677 10 3 (3) Deficit for Fasli 1297 2,557 14 10 Total Rs... 15,235 9 1
(17) Arrears of Peishcush for Fasli 1299	9,750 0 11		
(18) Total amount of principal and interest	76,639 4 8	(k) 5,613 6 11	
(19) Surplus amount available for crediting towards arrears on 1st July 1889 as per this report		(k) 38,909 3 8	(k) This amount is arrived at as follows:— Receipt as per this report 79,541 15 0 Charges 40,632 11 4 Balance Rs... 38,909 3 8
(20) Balance to be deducted from principal after paying interest	(l) 33,295 12 9		(l) The large surplus thus available is more than sufficient to wipe off the balance deficit (Rs. 10,235-9-1) for Faslies 1295 and 1297 as well as the loan of Rs. 5,000 made to Sultan Ali Rajah in Fasli 1294. There is therefore no balance which is free from future interest. Interest for Fasli 1299.
(21) Balance of principal at the commencement of Fasli 1299 i.e., on 1st July 1889	43,343 7 11		
Amount of arrears on 1st July 1889, i.e., beginning of Fasli 1299 as per G. O. No. 275, Political, dated 20th May 1890	43,343 7 11	2,600 9 9	
Surplus income available for crediting towards Peishcush on 1st July 1890		23,943 7 5	

PARTICULARS.	Amount of arrears.	Interest on arrears at 6 p. c. per annum.	REMARKS.
Balance to be deducted from principal after payment of interest	Rs. A. P. 21,342 13 8	Rs. A. P.	
Balance of principal...	22,000 10 3		
Peishcush for Fasli 1299	9,750 0 11		
Total of arrears on 1st July 1890...	31,750 11 2	1,905 0 8	Interest for Fasli 1300.
Surplus income available for crediting towards arrears on 1st July 1891	...	8,220 2 9	
Balance to be deducted from the principal after paying interest	6,315 2 1		
Balance of principal...	25,435 9 1		
Peishcush for Fasli 1300	9,750 0 11		
Total of arrears on 1st July 1891...	35,185 10 0	2,111 2 2	Interest for Fasli 1301.
Surplus income available for crediting towards arrears on 1st July 1892	1,043 15 6		
Balance of interest to be added to arrears	1,067 2 8		
Total...	36,252 12 8		
Peishcush for Fasli 1301	9,750 0 11		
Total arrears on 1st July 1892	46,002 13 7		
Surplus income available	1,870 0 8		
Balance of interest to be added to arrears	890 2 0		
Total...	46,892 15 7	2,760 2 8	Do for 1302.
Peishcush for Fasli 1302	15,000 0 11		
Total...	61,893 0 6		
Surplus income available...	184 8 10		
Balance of interest to be added to arrears	3,529 0 5		
Total...	65,422 0 11		
Peishcush for Fasli 1303	9,750 0 11		
Total...	75,172 1 10	3,713 9 3	Interest for Fasli 1303.

The Amini Compensation was not adjusted towards the arrears of Peishcush this year but was utilized for the liquidation of the temporary loans taken for Administrative purposes.

(Signed) R. F. AUSTIN,
for Ag. Collector.

CALCUTTA,
16th April 1896.

STATEMENT No. 2.—Showing the surplus available during each Fasli towards the reduction of peishcush.

Fasli.	Surplus available.	Receipts and Charges.			REMARKS.		
	Rs. A. P.	Rs. A. P.					
1285	3,770 4 11	Receipts ... 44,340 12 6					
		Charges ... 40,570 7 6					
1286	42,284 1 6	Receipts ... 85,716 15 3					
		Charges ... 43,432 13 9					
1287	8,128 4 11	Receipts ... 67,748 14 7					
		Charges ... 59,620 9 8*					
		* To this should be added Rs. 50,000 payment made on account of arrears and debited in the accounts to arrive at Rs. 109,620-9-8 the amount shown in the annual statement.					
1288	2,035 9 8	Receipts ... 52,423 5 8					
		Charges ... 50,387 12 0					
1289	7,127 11 10	Receipts ... 67,902 15 5					
		Charges ... 60,775 3 7*					
		* To this should be added Rs. 10,000 amount paid on account of arrears to arrive at Rs. 70,775-3-7 the figure shown in the annual statements.					
1290	6,822 9 4	Receipts ... 51,677 14 8					
		Charges ... 44,855 5 4					
1291	21,185 11 8	Receipts ... 82,516 5 9					
		Charges ... 61,330 10 1*					
		* To this add Rs. 15,000 the amount paid towards the Liquidation of arrears to get at the figure in the annual statement.					
1292	15,664 14 1	Receipts ... 61,509 11 5					
		Charges ... 45,884 13 4					
1293	36,322 7 2	Receipts ... 87,118 5 1					
		Charges ... 50,795 13 11*					
		* To this add simply Rs. 41,676-12-3 to get Rs. 92,472-10-2 the total expenditure shown in the annual statement.					
1294	3,012 5 9	Receipts ... 81,258 7 5a					
		Charges ... 78,246 1 8b					
		(a) To this should be added Rs. 5,250 the Amini Divi Compensation included in the receipts in the annual statement.					
		(b) To this should be added Rs. 20,000 the amount paid towards the liquidation of arrears and Rs. 5,000 the loan made to the Rajah to get Rs. 103,246-1-8 the figure in the annual statement.					
1295	8,506 10 1	Receipts ... 75,856 8 10z					
		Charges ... 85,249 4 9					
		(z) Rs. 886-1-10 being the interest charged in the accounts should be added to the receipts to get the deficit balance shown in column 2.					
1296	4,102 6 7	Receipts ... 55,350 0 4					
		Charges ... 51,299 3 0					
		Rs. 51-9-3 being the interest debited in the accounts should be added to the receipts to get the surplus balance shown in column 2.					
1297	2,557 14 10	Receipts ... 58,005 5 3					
		Charges ... 60,563 4 1					
1298	38,909 3 8	Receipts ... 79,541 15 0c					
		Charges ... 40,632 11 4					
		(c) To this add Rs. 32,000 payment made in part liquidation of the arrears to get at the figure in the annual statement.					

p. 27.

p. 28.

Fasli.	Surplus available.			Receipts and Charges.				REMARKS.
	Rs.	A.	P.		Rs.	A.	P.	
1299	23,943	7	5	Receipts	71,564	7	6	(d) To this add Rs. 23,943-7-5 the amount paid in part liquidation of the arrears to get at the figure of Rs. 71,564-7-6 the amount in the annual statement.
				Charges	47,621	0	1d	
1300	8,220	2	9	Receipts	86,046	15	10	(e) To this add Rs. 8,220-2-9 the amount paid in part liquidation of the arrears to get at Rs. 86,046-15-10 the figure in the annual statement.
				Charges	77,826	13	1e	
1801	1,043	15	6	Receipts	64,515	7	4	
1302	1,870	0	8	Charges	63,471	7	10	
				Receipts	98,268	7	1	
				Charges	96,398	6	5	
1303	184	8	10	Receipts	66,555	12	11	
				Charges	66,371	4	1	

CALICUT,
16th April 1896. }

(Sd.) R. F. AUSTIN,
for Ag. Collector.

No. 325.

CANNANORE, 15th May 1896.

To

THE COLLECTOR OF MALABAR,
Calicut.

Sir,

Referring to your letter No. 44, dated the 29th April last, received this *pp. 15.33.* morning, I have the honor to state that I shall submit my remarks on the accounts furnished at an early date. Meanwhile I beg to request you will be good enough to favour me with the revised account which reduces the arrears to Rs. 45,245-4-11, separating the arrears due on the Karar Territory from those pertaining to the Islands. I may here observe that in your letter under acknowledgement the arrears at the end of Fasli 1303 are stated to amount to Rs. 75,172-1-10 and to have been reduced to Rs. 45,245-4-11; whereas the figures given in your letter No. 112, dated the 6th July last, are respectively Rs. 75,118-11-4 *p. 9.* and Rs. 45,425-4-1. Apart from this discrepancy, Mr. Bradley in his letter dated the 30th May 1894, informed me that the arrears in Fasli 1303 amounted *p. 3.* merely to Rs. 35,000. In my letter dated the 12th July last, I asked for a reconciliation of these figures which I beg may be done now. *p. 9.*

2. Although the Government of India has laid down the principle that *pp. 15.49.* interest should be charged only on the arrears relating to the Karar Territory, the accounts now furnished have been prepared on the principle of charging not only simple but latterly compound interest on the entire arrears which have besides been curiously augmented by adding the deficit in which the administration of the Islands landed Government in Fasli 1295. I merely glance here at these points which will be dealt with in detail in a future communication in justification of my request for the revised accounts which reduce the arrears to Rs. 45,245 and odd, and which I beg may be furnished to me at your earliest convenience.

I have, &c.,

(Sd.) SULTAN ALI RAJAH.

No. 327.

CANNANORE, 18th May 1896.

To

THE COLLECTOR OF MALABAR,
Calicut.

Sir,

In continuation of my letter No. 325, dated 15th Instant, I have the honor *pp. 33.35.49.* to state as follows:—

2. Under the Treaty entered into with the East India Company the tribute *pp. 1.2.42.* payable by me is Rs. 15,000 and the 11 pies added to it unless justified by any reason should, I submit, be left out of account.

3. As the Statement No. 1 exhibiting the arrears with interest thereon appears to have undergone revision on the principle of not charging interest on the arrears in respect of the Islands, the necessity for examining it, save on broad lines, is less than would be the case otherwise. Into the vital question whether interest could ever be lawfully charged on the arrears of the Karar Territory, I shall not at present enter. It will form the subject of a representation to Government when the revised accounts asked for are received.

4. Of statement No. 1 kindly furnished I have a copy on my records made up to Fasli 1294. Its heading is "Statement showing the interest on the arrears of Peishcush due by Sultan Ali Raja of Cannanore from the dates of the arrears to the end of Fasli 1294." It is a statement intended manifestly to show the interest which was for the first time charged on the arrears.

But interest could not be rightly calculated on the arrears without deducting the amount due to me by Government on account of the Amini Divi Compensation. Consequently in charging interest, the tribute due to Government, that is 15,000-0-11, was I think reduced to Rs. 9,750-0-11, by deducting the Amini Divi Compensation of Rs. 5,250-0-0. This was apparently a paper transaction resorted to for arriving at the correct rate of interest. The annual statements and the Statement No. 2 now furnished support this view. Where credits are taken for reducing the arrears, they invariably find a place in the annual statements as well as in the Statement No. 2, but these do not include the Amini Divi Compensation as entered in Statement No. 1. The observations contained in my letter No. 153, dated 17th November 1894, were solely based on the annual statements and I had no idea that the statement of interest also embraced the actual state of the arrears.

5. In para. 2 of your letter No. 44, quoted above, you say that till Fasli 1294 the Amini Divi Compensation was not brought into the accounts at all; and later on in the same paragraph it is remarked that in Fasli 1294 the amount was for the first time included in the accounts and shewn on the Receipt side only. It is not clear what account is here intended. In the annual accounts for Fasli 1294 and 1295, dated respectively 15th September 1885 and 18th October 1886, the amount does not appear to have been entered on the Receipt side at all.

I request information on this point.

6. Again, it is remarked that from Fasli 1295 to 1301 the amount of Compensation appears on both sides of the account, leaving the result in regard to the arrears of Peishcush at zero. This is precisely the point, to which I took the liberty of prominently calling your attention.

The accounts furnished to me however only show that the amount was credited and debited in four years from Fasli 1298 to 1301, the result being that the arrears were not reduced by a farthing, notwithstanding the entry in Statement No. 1 which was regarded as a book entry for assessing interest. I shall be glad to know, in what statements of Fasli 1295 to 1297 the Amini Divi Compensation appears on both sides of the account.

7. The effect of exhibiting the Amini Divi Compensation on both sides of the account from 1295 to 1301 is stated to have been neutralized by the entry in Statement No. 1 which put the arrears down at Rs. 9,750-0-11. But the entry in Statement No. 1 was the same, when the amount of compensation was not exhibited on both sides of the account. It would, therefore, appear that the entries in the one had not influenced the entries in the other.

8. In Account No. 1 against the entry for Fasli 1295 a remark occurs about deducting interest charged on the disbursement side of the account (Rs. 1,062-1-11 minus 175-15-4). I shall be glad to know how this was brought about.

9. In Account No. 1, the "paper deficits" of the years 1295 and 1297 have been added to the arrears of peishcush. I do not know the justification for this mode of calculation. The recognition of the principle that no interest shall be charged on a paper deficit, which is more than recouped by the stock of coir in hand renders the policy of adding such deficits to the arrears questionable. Coir being a commodity which has an exchange value is I submit really wealth. Instead of cash in the chest, the government had more than its equivalent in coir in their possession and it is, I submit, inequitable, that a paper deficit of this nature should be added to the arrears of tribute which is entirely a different factor. If deficits could be added to arrears it is not clear why occasional loans from Government for administrative purposes should not be so added. This part of the account requires, I submit, revision.

10. In Faslis 1300 to 1302 unrecouped interest has been added to the arrears of tribute, resulting in the calculation of compound interest. This I think has only to be mentioned to be rectified.

11. If as decided by the Government of India, interest was charged only on the arrears relating to the Karar Territory, the surplus available aggregating Rs. 2,24,637 would, I submit, sensibly diminish the arrears beyond what has been done in the accounts.

12. In Fasli 1302 the Amini Divi Compensation was it is said not adjusted towards the arrears of Peishcush, but utilized for the liquidation of the temporary loans taken for administrative purposes. But turning to the annual statements, we find that the loan Rs. 32,000, with the Amini Divi Compensation amounted to Rs. 37,250. Under the disbursement side of the accounts for the year we find that the repayment of the loan amounted to Rs. 32,634-13-10, whilst the payment in liquidation of the Peishcush arrears was Rs. 1,870-0-8 making a total of Rs. 34,504-14-6 leaving still a balance of Rs. 2,745-1-6 on the good. I wish to know how this fact is to be reconciled with the remark in Statement No. 1 and how the balance of Rs. 2,745-1-6 was utilized.

13. In Statement No. 2 the receipts for the Fasli 1286 are stated to be Rs. 85,716-15-3, and the charges Rs. 43,432-13-9; but according to the annual statements the figures are respectively Rs. 93,365-12-10; and Rs. 47,410-14-2. Deducting the surplus of Rs. 3,770-4-11, from the Receipts, the balance is Rs. 89,595-7-11 which is higher than that exhibited in Statement No. 2. I request information on this point.

14. Statement No. 2 shows that in Fasli 1294 the Amini Divi Compensation of Rs. 5,250 was included in the Receipts in the annual statement. But the latter does not embrace any such entry. I beg to know the basis of the assertion in Statement No 2.

15. With reference to para. 3 of your letter, I beg to submit that it is hard that interest should be charged on loans contracted by Government owing to Government management. This will also form a subject of reference to Government. In order to do so, I beg to be favoured at an early date with a statement of coir in stock on the 1st July of every year entered in Statement No. 1.

16. Referring to para. 4 of your letter, I beg to know when the "Advances" in question are likely to be adjusted. The advances were made more than 20 years ago.

17. Regarding para. 5, I beg to observe that the charges under "Sundries" occurring in the accounts are so large that I am forced to again ask for particulars. The figures appearing under "Sundries" are extracted below.

1. Mainland	...	Rs. 1,87,910	2	5
2. Androth	...	8,362	6	5
3. Agathy	...	1,672	0	4
4. Kavarathy	...	960	2	8
5. Kalpeny	...	1,642	7	7
6. Minicoy	...	7,563	1	2

Total Rs. 2,03,110 4 7

18. I shall submit my remarks on the annual account of each of the Islands in a future communication.

I have, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No 329.

CANNANORE, 20th May 1896.

To

THE COLLECTOR OF MALABAR,

Calicut.

SIR,

In continuation of my letter No. 327, dated the 18th Instant, I have the honor to state that the adjustment of the Island accounts is likely to take more time than can be anticipated at present. An audit by a professional auditor in conjunction with my agent appears very desirable to clear away many items now involved in obscurity. And the decision as to charging interest on the arrears pertaining to the Karar Territory and temporary loans contracted by Government for the management of the Islands will have to be submitted for re-consideration. All this will entail delay.

2. As I am a great sufferer by the delay in restoring the Islands to me I propose to deposit the arrears which you inform me have been reduced to Rs. 45,245-4-11 in the Treasury or in the Madras Bank pending the final adjustment of the accounts. I have the honor to enquire whether the Islands will be handed back to me when the deposit is made as proposed above.

I have, &c.,

(Sd.) SULTAN ALI RAJAH, OF CANNANORE.

Dis. No. 55
Isl. 96.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 13th May 1896.

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar.

TO

M. R. RY. SULTAN MUSA ALI RAJAH AVERGAL,
of Cannanore.

SIR,

Under instructions from Government and the Board of Revenue, I have the honor to point out to you that the Laccadive Islands and the Karar Territory are held by you on entirely different tenures. The latter is held by you as an ordinary British subject and is liable to an assessment payable to Government, and arrears of such assessment are liable to pay interest under Act II of 1864. The Islands, on the other hand, are held by you as a State in alliance with the Government of India and arrears of tribute on them are not liable to interest.

The total amount payable by you under treaty is Rs. 15,000-0-11 of which Rs. 11,383-0-11 is considered to be due from the Islands and Rs. 3,617 from the territory on the Mainland. Rs. 5,250 Amini Divi Compensation is allotted as follows:—

Rs. 3,984 to the Island account, and Rs. 1,266 to the Mainland account. Separate accounts will in future be kept in respect of each part of your estate and I now enclose accounts written on this basis from Fasli 1281 up to the close of Fasli 1304. The statements forwarded with my letter, dated 29th April 1896, are hereby cancelled.

You will observe that on the Island account there is a surplus to your credit of Rs. 16,943-15-4 which is held in deposit in the Treasury. On the Mainland account there is an arrear of Rs. 82,823-0-5 peishcush, and Rs. 29,753-6-7 interest. The amount in deposit on the Island account may be applied to reduce this amount, if you consent to that course being taken. The balance due, I am to request you to pay at an early date and I shall be glad to hear how you propose to pay the amount. Unless this is done, I shall be compelled to recover it under Act II of 1864.

I have, &c.,

(Sd.) J. HEWETSON,
Ag. Collector.

Statement showing the amounts due by Sultan Musa Ali Rajah of Cannanore on account of the Laccadive Islands and the Cannanore lands from Fasli 1281 to 1290.

LACCADIVE ISLANDS.										CANNANORE LANDS ON THE MAINLAND.									
Demand.					Amount credited in liquidation of the demand.					Demand.									
Fasli.		Arrears.		Current.		Total.		Closing Balance.		Current Revenue.		Total Revenue.		Interest charged on the arrears, the interest.		Total.		Closing Balance.	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17			
					Surplus of the Island income available at the end of the year.	Total.		Arrears.		Total Revenue.		Interest charged on the arrears, the interest.		Total.		Closing Balance.			
					Amni Divi compensation a portion.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.		
1281	...	...	10,947 0 11	...	...	...	10,947 0 11	...	...	3,479 1 3	...	...	...	...	...	...	...		
1282	10,947 0 11	11,383 0 11	22,830 1 10	3,984	...	3,984 0 0	18,846 1 10	3,479 0 4	3,617	7,096 0 4	203 11 10	7,304 12 2	1,266	...	1,266 0 0	6,038 12 2	2		
1283	18,846 1 10	11,383 0 11	29,729 2 9	3,984	...	3,984 0 0	25,745 2 9	6,038 12 2	3,617	9,655 12 2	362 5 2	10,018 1 4	1,266	...	1,266 0 0	8,752 1 4	30		
1284	25,745 2 9	11,383 0 11	37,128 3 8	3,984	...	3,984 0 0	33,144 3 8	8,752 1 4	3,617	12,369 1 4	525 2 0	12,894 3 4	1,266	...	1,266 0 0	11,628 3 4	4		
1285	33,144 3 8	11,383 0 11	44,527 4 7	3,984	3,770 4 11	7,754 4 11	31,773 15 8	11,628 3 4	3,617	15,245 3 4	697 11 1	15,942 14 5	1,266	...	1,266 0 0	14,676 14 5	5		
1286	36,772 15 8	11,383 0 11	48,156 0 7	3,984	42,384 1 6	46,268 1 6	1,887 15 1	14,676 14 5	3,617	18,293 14 5	880 9 10	19,174 8 3	1,266	...	1,266 0 0	17,908 8 3	3		
1287	1,887 15 1	11,383 0 11	13,271 0 0	3,984	8,128 4 11	12,112 4 11	1,155 11 1	17,908 8 3	3,617	21,525 8 3	1,074 8 2	22,600 0 5	1,266	...	1,266 0 0	21,334 0 5	5		
1288	1,158 11 1	11,383 0 11	12,541 12 0	3,984	2,035 9 8	6,019 9 8	6,522 2 4	21,334 0 5	3,617	24,951 0 5	1,280 0 8	26,231 1 1	1,266	...	1,266 0 0	24,951 0 5	5		
1289	6,522 2 4	11,383 0 11	17,905 3 3	3,984	7,127 11 10	11,111 11 10	6,798 7 5	24,951 0 5	3,617	28,568 0 5	1,497 1 0	30,065 1 5	1,266	...	1,266 0 0	28,568 0 5	8		
1290	6,798 7 5	11,383 0 11	18,176 8 4	3,984	6,522 9 4	10,806 9 4	7,369 15 0	28,568 0 5	3,617	32,185 0 5	1,714 1 3	33,899 1 9	1,266	...	1,266 0 0	32,185 0 5	5		
(b) Represent arrears of interest which remained unadjusted after crediting the Amni Divi Compensation. The figure is shown separately as no interest is chargeable on the interest.																			
(Sd) J. J																			

No. 337.

To

CANNANORE, 27th May 1896.

THE COLLECTOR OF MALABAR.

SIR,

I have the honor to acknowledge the receipt of your letter No. 55, dated the 13th Instant, which has taken me by surprise.

2. Under the Treaty entered into with the East India Company my tribute has been consolidated and the distinction made in your letter does not find a place in it. I can hardly conceive how my position in regard to the Karar Territory has now been reduced to that of an ordinary ryot paying an assessment to Government subject to the levy of interest on arrears—a position incompatible with the terms of the Treaty.

3. If the solemn engagement is to preserve its binding force and if open declarations underlying it, are not to be ignored, the interpretation now advanced in spite of the Treaty is, I submit, calculated to defeat the one and nullify the other.

4. As you have addressed me under instructions from Government I trust you will kindly inform them that I do not acquiesce in the humiliating position assigned to me in respect of my Karar Territory, and that if it should be necessary to carry matters to higher authorities for an authoritative exposition of the Treaty, I shall be prepared to do so if the Government on reconsideration do not modify the instructions they appear to have issued to you. I beg to add that a dispassionate consideration of the facts taken into account when the Treaty was concluded will convince any one that the East India Company was not dealing with a ryot as is intended to be made out at present, but with a House possessing Sovereign rights over its territorial possessions on the Mainland. The history of the Treaty indicates that the tribute was fixed on a consideration of the income levied among others, from the following sources in the Karar Territory which an ordinary ryot cannot even so much as pretend to derive from his property paying an assessment to Government:—

1. Land Revenue.
2. Sea Customs.
3. Land Customs.
4. Abkari.
5. Tax on houses.
6. Tax on shops.
7. Receipts from the administration of justice.

Holding such a unique position it is difficult to understand how I could ever be identified with an ordinary ryot.

5. Under what circumstances and on what data the tribute payable by me was apportioned I do not know, suffice it to say that viewed in the light of information that is available, the apportionment noted in para. 2 of your letter, namely Rs. 3,617 for the Karar Territory and Rs. 11,383-0-11, for the Islands appears to be questionable. According to Mr. Logan's Manual of the District the amount assigned to the Karar Territory is Rs. 3,801 (or more correctly Rs. 3,800) and to the Laccadives Rs. 11,200.

6. The Amini Divi Compensation payable to me by Government is, I submit, entirely beyond the scope of sequestration and as such ought in fairness to have been apportioned and credited to accounts after consultation with me.

7. The amount of arrears in respect of the Karar Territory given in para. 3 of your letter is evidently based on the annual statements of which I have had the opportunity of analysing some.

1. Letter No. 153, dated 17th Nov. 1894.
2. Letter No. 373, dated 21st March 1895.
3. Letter dated 12th July 1895.
4. Letter dated 15th May 1896, No. 325.
5. Letter dated 18th May 1896, No. 327.

From my letters noted in the margin it will be perceived that several items in the accounts call for elucidation whilst there are others not quite free from doubt. As the basis has not been settled, it is, I submit, premature to arrive at the arrears of the Karar Territory without an adjustment of the initial accounts.

8. Apart however from my remarks on the accounts, the figures furnished from your office are, I regret to have to state, so conflicting as to render a close scrutiny of the accounts imperative. For, in his letter dated the 30th May 1894, Mr. Bradley fixed the arrears of Fasli 1303 at Rs. 35,000. In his letter, dated the 6th July 1894-5, No. 112, Mr. Moberly informed me that the arrears were Rs. 75,118-11-4, but that the accounts were revised by Government with the result that the arrears were reduced to Rs. 45,425-4-1. In your letter No. 44, dated the 29th April 1896, you informed me that the arrears stood at

1. Letter dated 12th July 1895.
2. Letter dated 15th May 1896, No. 325.

Rs. 75,172-1-10 but were in revision by Government reduced to Rs. 45,245-4-11. In my letters noted in the margin, I asked for reconciliation of these divergent accounts. But I have not yet been favoured with any explanation. The matter however has now been brought to a climax by your present letter in which under instructions you remark that the arrears far from being what they were asserted to have been reduced to by Government in revision, have reached the startling figure of Rs. 1,12,596 with interest. Here I cannot help confessing ignorance of the system of accounts which impart so much elasticity to them. These facts, if nothing else necessitate, I submit, a thorough overhauling of accounts by an auditor in conjunction with my agent.

9. The Treaty fixing my tribute does not, I repeat, authorize the levy of interest on arrears; nor do the provisions of the Revenue Recovery Act II of 1864 appear to apply to one circumstanced as myself. With a view to urge these points before Government, I beg you will be pleased to favour me at your earliest convenience with copy of the account revised by Government which reduced the arrears to Rs. 45,245-4-11 and with a statement of the stock of coir (*vide* para. 1 of my letter No. 325, dated the 15th Current, and para. 16 of my letter No. 327, dated the 18th May Current).

10. As from your letter under reply, it appears that the Islands are entirely free from arrears and have left a surplus, I beg to enquire whether the time has not arrived for their restoration to me.

I have, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Reminder to Ref. on C. No. ⁶⁸/_{Conf.}
Confidential.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 23rd May 1896.

FROM
J. HEWETSON, Esq.,
Ag. Collector of Malabar.

TO
M. R. RY. SULTAN MUSA ALI RAJAH AVERGAL,
Cannanore.

SIR,

I have the honor to request that you will be good enough to furnish me at an early date with any proposals you may wish to make as to the future administration of the Laccadives and with your views as to the agency by which the laws that may be introduced in the Islands should be administered. I regret to observe that though these particulars were asked for in this office letter, dated 13th August 1895, Ref. on No. ^{C. No. 68}/_{Conf.}, they have not yet been furnished to me.

I have, &c.,
(Sd.) J. HEWETSON,
Ag. Collector.

Confidential
No 334.

CANNANORE, 27th May 1896.

TO
THE COLLECTOR OF MALABAR.

SIR,

Referring to your reminder to Ref. on No. ⁶⁸/_{Conf.}, dated the 23rd Instant, received this morning, I have the honor to draw your attention to my letter No. 559 (Confidential), dated the 19th August 1895. In para. 2 of the letter I informed Mr. Moberly that I would not reconstruct but continue the system of administration introduced into the Laccadives by Government, especially as that was the condition insisted on by the Government of India and communicated to me when the Islands were sequestered. Should experience suggest any modification of the existing system, it may be carried out as occasions arise. I have, therefore, no proposals to make at present for the future administration of the Islands, other than carrying out the existing system.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No. Dis. ⁶⁰/_{Isl. 96}

MALABAR COLLECTOR'S OFFICE,
CALICUT, 24th May 1896.

FROM
J. HEWETSON, Esq., I.C.S.,
Ag. Collector of Malabar.

TO
M.R.RY. SULTAN MUSA ALI RAJAH AVERGAL,
Cannanore.

SIR,

With reference to para. 1 of your letter, dated 20th Instant, No. 329, I have the honor to state that the accounts therein referred to are apparently the old accounts which were cancelled by my letter, dated 13th Instant, No. 55, G1. *pp. 28.36.37.38.*

2. In regard to the question raised in para. 2 of your letter, I have the honor to refer you to Mr. Moberly's letter, dated 13th August 1895, Ref. on C. No. 68, ^{C. No. 68}/_{Conf.}, from which you will observe that the Right Honorable the Secretary of State for India expects to be furnished with a report within three years on the progress made in the introduction of an improved system of administration of the Islands and on the conditions on which the Islands could be transferred to native rule. As you have not yet furnished me with the proposals asked for in that letter I am unable to submit my report to Government. You will see that the Secretary of State did not contemplate the transfer of the Islands to you for at least three years. *pp. 36.37.*

I have, &c.,
(Sd.) V. RAJAGOPALA CHARI,
for Ag. Collector.

Dis. No. 61.
Isl. 96.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 27th May 1896.

FROM
J. HEWETSON, Esq.,
Ag. Collector of Malabar.

TO
M. R. RY. SULTAN MUSA ALI RAJAH AVERGAL,
of Cannanore.

SIR,

I have the honor to acknowledge the receipt of your letter No. 327, dated the 18th Instant, and in reply to state that the remarks therein contained relate to the accounts which have now been superseded. *pp. 25.52.*

I have, &c.,
(Sd.) V. RAJAGOPALA CHARI,
for Ag. Collector.

No. 338.

CANNANORE, 29th May 1896.

To

THE COLLECTOR OF MALABAR.

SIR,

Referring to your letter No. 61, dated the 27th instant I have the honor to state that though in your letter No. 55, dated the 13th, but received on the 23rd instant, the accounts which accompanied your letter of the 29th April last, have been cancelled, the amended statements received from you have been expressly based on the accounts in respect of which my remarks were submitted. For instance the surpluses apportioned and the deficits debited in the amended statements were taken as exhibited in the accounts since cancelled for no apparent reason. But if my remarks on these accounts be accepted, the surplus available would be more than that taken for apportionment, resulting in a corresponding reduction in the arrears. The correct appropriation of the Amini Divi Compensation, the elimination of interest charged on Government loans, the adjustment of long standing advances, the scrutiny into the remarkable expenses under "Sundries"—these and other doubtful points noticed by me in the accounts which evidently form the ground work of the amended statements will also reduce the alleged arrears to an extent of which we can have no conception at present.

2. For these reasons I submit that my remarks on the accounts on which the amended statements have been built up call for attention and remedy.

I have, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Dis. No. 64.
Isl. 96.MALABAR COLLECTOR'S OFFICE,
CALICUT, 28th May 1896.

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar.

To

M. R. RY. SULTAN MUSA ALI RAJA AVERGAL,
Cannanore.

SIR,

With reference to your letter, dated 27th Instant, No. 334, I have the honor to point out that the Right Hon'ble the Secretary of State's orders have been misunderstood. An improved system of administration is to be introduced into the Islands before they are handed over.

I have, &c.,

(Sd.) V. RAJAGOPALA CHARI,
for Ag. Collector.

No. 340.

CANNANORE, 31st May 1896.

To

THE COLLECTOR OF MALABAR.

Sir,

Referring to your letter No. 60, dated the 24th, and received on the 29th instant, I have the honor to state that I have already addressed* you that my remarks on the accounts furnished by you hold good even though the latter has been cancelled since.

2. Regarding para. 2 of your letter I beg to state that some misapprehension appears to prevail in respect of the Islands which will, I hope, be dispelled by a perusal of the orders passed by the Government of India when they were sequestered.

3. In para. 2 of their letter, Foreign Department, No. 594 P, dated the 2nd March 1876, the Government of India state that "the Islands can remain in sequestration until the arrears of tribute are cleared off, and meanwhile the Madras Government should organize and submit for approval of the Government of India, a proper system of fiscal and judicial administration, and it can be intimated to Ali Rajah that the restoration of the Islands to the management of himself and his successors will be conditional on his engaging to retain the agency and the system introduced by the British Government."

4. I was, in your letter No. 55 dated the 13th May current, informed under instructions from the Madras Government that the accounts of the Islands have been separated from those of the Karar Territory with the result that the arrears of tribute pertaining to the Islands were completely wiped off leaving a large surplus to my credit.

5. Such being the case, I wish to know whether the Islands can be justly and fairly continued under sequestration without at least violating the explicit orders of the Government of India that they should only remain so till the arrear is cleared off.

6. I need hardly state that an improved system of administration was, as enjoined by the Government of India, introduced into the Islands after sequestration and is in force at the present time. It does not appear that the Right Hon'ble the Secretary of State for India was aware of this fact when he decided that "the opportunity of the existing temporary British attachment of the Islands should be utilized in order to improve the administration" while as a matter of fact the administration had been improved since 1876. The system contemplated by the Secretary of State does not appear to be an improvement on the existing reformed administration introduced by the Local Government with the approval of the Government of India.

7. As the wishes of the Secretary of State had been anticipated in respect of the administration, the report called for by him, would, it was hoped, be submitted "at an earlier date" than three years as directed by him. The facts there-

fore do not seem to warrant the assumption that "the Secretary of State did not contemplate the transfer of the Islands to me for at least three years."

8. I beg you may be pleased to refer the matter to Government. I am prepared to retain the agency and the system introduced by Government as directed by the Government of India and the Secretary of State. In the matter of political supervision, I told Mr. Moberly that it might proceed on the lines obtaining in Mysore or Travancore.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No. 341.

THE COLLECTOR OF MALABAR.

CANNANORE, 31st May 1896.

Sir,

In reply to your letter No. 64, dated the 28th Instant, I have the honor to refer you to my letter of this date No. 340, from which you will observe that the improved system of administration intended by the Secretary of State is already in force in the Islands.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Ref. on C. No. ^{113.}_{Isl. 96.}

FROM

J. HEWETSON, ESQUIRE,
Ag. Collector of Malabar.

TO

M. R. RY. SULTAN MUSA ALI RAJAH AVERGAL,

Sir,

I have the honor to state that your letter dated 27th ultimo, No. 337, will be forwarded for the orders of Government. With regard however to the question raised in para. 10, I have the honor to refer you to Mr. Moberly's and my letters, dated 13th August 1895, Ref. on C. No. ^{68.}_{Conf.} and 24th May 1896 No. ^{60.}_{Isl.} from which you will observe that the Right Hon'ble the Secretary of State did not contemplate the transfer of the Islands to you for at least three years.

I have, &c.,
(Sd.) V. RAJAGOPALA CHARI,
for Ag. Collector.

No. 348.

TO

THE COLLECTOR OF MALABAR.

Sir,

Referring to your letter No. 113, dated the 1st Instant, I have the honour to request you will be good enough to favour me with the accounts asked for in para. 9 of my letter No. 337 of the 27th May last, to enable me to address Government, as you are submitting my letter to them for orders, and as it is desirable that they should have all the facts before them in coming to a decision.

2. Regarding the last sentence of your letter under reference, I have submitted my view of the position in letter No. 340, dated 31st May last.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Dis. No. 70.
Isl. 96.

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar.

TO

M. R. RY. SULTAN MUSA ALI RAJAH AVERGRI,
of Cannanore.

Sir,

Adverting to your letters quoted in the margin I have the honour to point out that what the Secretary of State for India decided was that the opportunity of the existing temporary British attachment of the Islands, should be utilized in order to improve the administration and to establish the improved system on a permanent basis and that the continuance of such improved system should be one of the conditions of the restoration of the Islands (*vide* Mr. Moberly's letter to you, dated 13th August 1895, Ref. ^{68.}_{Conf.}). If you are of opinion that an improved system of administration is already in force on the Islands, and that the administration need not be further improved, I request you will say so in a memorial which will be forwarded to Government.

2. As the amended accounts furnished to you with my letter, dated 13th Ultimo No. ^{65.}_{Dis. 96.} were prepared by Board and Government, any remarks you may have to offer with regard to them, should, I think, be embodied in a memorial to Government.

3. The statement required by you showing the details under "Sundries" and the stock of coir on hand, at the end of each Fasli, will be forwarded shortly.

I have, &c.,
(Sd.) R. F. AUSTIN,
for Ag. Collector.

No. 391.

CANNANORE, 24th June 1896.

To

THE COLLECTOR OF MALABAR,

Calicut.

SIR,

Referring to your letter No. 70, dated the 19th Instant, received to-day, I have the honor to state that I have already submitted my views on the Secretary of State's orders in my letter No. 340, dated the 31st May last, to which I have nothing to add at present. In stating that an improved system of administration has already been introduced into the Islands by Government I was, I thought, stating a fact and not expressing an opinion. But I never meant to imply that an improved system need not be further improved, as no system could ever be perfect. I do not, however, think that a system perfect in every detail was intended to be introduced into the Islands before their rendition.

2. Referring to para. 2 of your letter under reply, I beg to state that my remarks on the accounts received with your letter No. 55, dated the 13th May last, were submitted in my letter No. 337, dated the 27th Idem, and in reply I was informed in your letter No. 113, of the 1st Instant, that it would be submitted to Government for orders. I beg to know if this last letter is to be considered as cancelled.

3. As stated in para. 9 of my letter No. 337, I shall submit a representation to Government on receipt of the accounts therein asked for. When, however, you communicate with me under orders from Government my reply will, it is hoped, supercede the necessity for a direct representation to them on the same lines.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Ref. on C. No. ¹³⁰/_{Isl. 96}

FROM

J. HEWETSON, Esq.,

Ag. Collector of Malabar.

To

M. R. Ry. SULTAN MUSA ALI RAJAH AVERGAL,
of Cannanore.

SIR,

In continuation of my letter No. ⁵⁵/_{Isl. 96}, dated the 13th May last, I have the honor to inform you that there is now Rs. 48,762-13-7 to your credit at the end of Fasli 1305, on account of the Islands, as particularized in the margin, and to request you to be good enough to inform me whether you are willing to credit the said amount towards reducing the arrears due from you on account of Cannanore. An early reply is solicited.

	Rs.	A.	P.
Amount lying to your credit up to Fasli 1304...	16,943	15	4
Surplus available at the end of Fasli 1305 ...	27,834	4	3
Proportionate Amini Compensation ...	3,984	0	0
Total Rs...	48,762	3	7

I have, &c.,
(Sd.) R. F. AUSTIN.

No. 421.

CANNANORE, 6th July 1896.

To

THE COLLECTOR OF MALABAR.

SIR,

Adverting to your letter No. 130, dated the 1st instant, I have the honour to state that until the correct amount of the arrears is known, it will, I am afraid, be premature to credit the surplus to the accounts.

2. The surplus now returned, viz., Rs. 48,762-3*-7 does not, however, appear to be correct, judging from the data furnished in your letter under reply. For, the Amini Divi Compensation Rs. 5,250 instead of being taken into the account in full has only been credited to the extent of Rs. 3,984, apparently on the basis of the apportionment effected by Government, as intimated in your letter No. 55, dated the 13th May last. Admitting for the purpose of this letter the fairness of the apportionment, it can only hold good if there are arrears in respect of the Islands and the continental possessions. But the Islands are, as you are aware, not only free from arrears but have left a surplus and do not stand in need of being recouped from extraneous sources. It follows clearly that the Amini Divi Compensation should be wholly taken into account in exhibiting the surplus due to me.

3. If you agree with me I shall be obliged by your ordering an amended account to be furnished to me.

4. I have not yet received the accounts for Fasli 1305 and request to be favoured with them.

I have, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Dis. No. ⁷³/_{Isl. 96}

FROM

J. HEWETSON, Esq.,

Ag. Collector of Malabar.

To

M. R. Ry. SULTAN MUSA ALI RAJAH AVERGAL,
Cannanore.

SIR,

I have the honor to inform you that out of Rs. 48,762-3-7 referred to in my letter Ref. on C. No. ¹³⁰/_{Isl. 96}, dated the 1st instant, a sum of Rs. 11,383-0-11 has been deducted by me on account of the peishchush due from you, in respect of the Islands for Fasli 1305. The net amount to your credit on account of the Islands at the end of Fasli 1305 is therefore Rs. 37,379-2-8.

I have, &c.,
(Sd.) R. F. AUSTIN,
for Ag. Collector.

No 426.

To

CANNANORE, 7th July 1896.

THE COLLECTOR OF MALABAR.

SIR,

p. 41
Referring to your letter No. 73, dated the 4th Instant, received to-day, I have the honor to refer you to my yesterday's letter No 421.

p. 1. 32.
2. I regret my inability to consent on the one hand to the appropriation of a sum less than that due under the Treaty when funds are available to meet the whole amount and on the other to the apportionment of the tribute which the Treaty does not recognize (*vide* my letter No. 337, dated the 27th May last). The provisions of the Treaty should, I submit, be adhered to, till it is revised or annulled.

p. 25.
3. I beg to refer you to para. 2 of my letter No. 327, dated the 18th May last, regarding the elimination of the 11 pies added to the tribute.

I have, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Dis No. 76.
Isl. 96.

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar.

To

M. R. Ry. SULTAN MUSA ALI RAJAH AVERGAL,
Cannanore.

Sir,

p. 40.
Adverting to your letter No. 391, dated the 24th June last, I have the honor to state that an improved system of administration, in the case of the Islands always meant a substitution of a better system for the present monopoly system, and in this direction nothing has, as yet, been done.

p. 32.
2. A copy of your letter No. 337, dated the 27th May last, referred in para. 2 of your letter under reference has been submitted to the Board of Revenue.

p. 33. 40. 42.
3. The Statements required by you, will be forwarded, as early as possible.

I have, &c.,

(Sd.) R. F. AUSTIN,
for Ag. Collector.

No. 422.

CANNANORE, 6th July 1896.

To

THE COLLECTOR OF MALABAR.

SIR,

I have the honor to request you will be good enough to direct that the details of charges under "Sundries" asked for in para. 17 of my letter No. 327, *p. 28.* dated the 18th May last, be supplied to me at an early date.

I have the honor to be, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No. 423.

CANNANORE, 6th July 1896.

To

THE COLLECTOR OF MALABAR,
Calicut.

SIR,

I have the honor to request you will be good enough to direct that copy of the revised account and the statement of the stock of coir be furnished to me at an early date, as requested in para. 9 of my letter No. 337, dated the 27th *p. 33. 42.* May last.

I have the honor to be, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No. 11
C.MALABAR COLLECTOR'S OFFICE,
CALICUT, 20th July 1896.

FROM

J. HEWETSON, Esq.,
Ag. Collector of Malabar,
Calicut.

To

M.R. Ry. SULTAN MUSSA ALI RAJAH AVERGAL,
Cannanore.

SIR,

With reference to your letter, dated 27th May last, No. 337, a copy of *p. 32. 45. 46. 52.* which was forwarded by me to the Board of Revenue, I have the honor to reply as follows:—

I find from the old records in this Office that the then Bibi's lands in Cannanore were attached for arrears of Peishcush like those of other landholders according to "the process laid down in the Regulations," that these lands are held on ordinary revenue tenure (*vide* G. O. dated 20th December 1871, No. 405, Political), and that your protest in 1872 against the order of 1871, and against the levy of land cess and Income-Tax and the introduction of the Municipal Act into Cannanore was of no avail. The fact that the lands in Cannanore are held by you on ordinary revenue tenure has also been recognized in recent correspondence by the Government of India and the Secretary of State. The objections now raised again by you

have been carefully considered by the Local Government and by the Government of India, and the Home Government on previous occasions. I consider, therefore, that nothing will be gained by any further reference to these authorities.

2. The Peishcush of Rs. 15,000 was apportioned as follows:—

Rupees 15,000 was fixed as being a rough mean between Rs. 14,340 fixed on the income which the then Bibi reported as accruing annually, and Rs. 16,237½ the amount estimated by Government. The following are the details of these two amounts.—

	As reported by Bibi.	As estimated by Government.
1. Half the profits on the trade with the Laccadives	10,000	10,000
2. Half the Janmam revenue from the Islands	1,200	2,400
3. Half the income from the lands at and about Cannanore	3,140	3,837½
Total...	14,340	16,237½

p. 29. Deducting the half profits from trade for which the same figures (Rs. 10,000) was adopted both by the Bibi and the Government, from Rs. 15,000, and dividing the balance in the proportion of the details furnished by the Bibi, the demand on the Cannanore lands will be Rs. 3,617. Similarly the Amini Divi Compensation of which Rs. 1,266 are credited to the Cannanore lands and Rs. 3,984 to the Islands, was apportioned.

3. With reference to your remark that the Amini Divi Compensation is beyond the scope of sequestration, and that it should not be credited towards the Peishcush without your consent, I have the honor to refer you to the concluding sentence of Treaty No. CCLXXIII at page 386 of Volume III of the Malabar Manual, and to inform you that the compensation has always been regarded as an abatement of the entire Peishcush of Rs 15,000.

p. 29. 4. The difference in the figures furnished to you in connection with the Peishcush arrears, and referred to in para. 8 of your letter under reply is due to the revision of the accounts by the Board and Government on the grounds:—(1) that no interest should be charged on the arrears of tribute in respect of the Laccadive Islands and (2) that the account of the Islands should be separated from those of the Mainland property. The accounts furnished with my letter, dated 13th May 1896, No. ⁵⁵/_{Isl.}, are in accordance with the latest revision.

5. There is at present no stock of coir on hand, the value of which could be set off against the arrears.

p. 29. 6. I request again that the balance due by you on account of the lands in Cannanore may be paid at an early date. The amount in deposit on the Island account, may, as stated in my letter dated 13th May 1896, No. ⁵⁵/_{Isl.}, be applied to reduce the arrears, if you consent to that course being taken.

I have the honour to be, &c.,

(Sd.) J. HEWETSON,

Ag. Collector.

No. 457.

To

CANNANORE, 27th July 1896.

THE COLLECTOR OF MALABAR,

Calicut.

SIR,

Referring to your letter No. ¹¹/_{C.}, dated the 20th Instant, I have the honor to request you will be good enough to favour me with a copy of G. O., dated the 20th December 1871, No. 405, Political, and of the order passed on my protest of 1872, as they are not forthcoming in my records. p. 43.

2. On the subject-matter of the letter under reference, I shall address you later on.

I have the honor to be, &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Dis. No. ⁸²/_{Isl. 96.}

MALABAR COLLECTOR'S OFFICE,
CALICUT, 3rd August 1896.

FROM

G. W. DANCE, Esq.,

Ag. Collector of Malabar.

To

M. R. RY. SULTAN MUSSA ALI RAJAH AVERGAL,

Cannanore.

SIR,

With reference to your letter No. 457, dated the 22nd July last, I have the honor to state, that you should apply to Government for the copies of the orders you require.

I have the honor to be, &c.,

(Sd.) V. RAJAGOPAL CHARY,
for Ag. Collector.

No. 524.

CANNANORE, 29th August 1896.

To

THE CHIEF SECRETARY TO GOVERNMENT,

POLITICAL DEPARTMENT,

Stonehouse Hill.

SIR,

The Collector of Malabar informs me that the G.O. dated 20th December 1871, No. 405, Political, has decided that my Karar Territory at Cannanore is held on ordinary land tenure. p. 48.

2. As the G. O is not forthcoming in my records, I requested the Collector to furnish me with a copy of it. He writes to say that I should apply to Government for it.

3. I have therefore the honor to request you will be good enough to favor me with a copy of it.

I have the honor to be, &c.,
(Sd.) SULTAN MUSA ALI RAJAH OF CANNANORE.

Reminder.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 7th September 1896.

FROM

G. W. DANCE, Esq., I. C. S.,
Ag. Collector of Malabar.

TO

M. R. Ry. SULTAN MUSSA ALI RAJA AVERGAL,
Cannanore.

SIR,

I have the honour to observe that the arrears of Peishcush due by you on the Karar lands in Cannanore, have not yet been paid in accordance with this office letters dated 13th May and 20th July last, Nos. $\frac{55}{\text{Isl.}}$ and $\frac{11}{\text{C.}}$, respectively. Unless you make some arrangements at an early date for the payment of the amount, I shall be compelled to recommend to the Board that a sufficient number of your lands may be attached and taken under the management of Government under Act. II of 1864 till the arrears are paid.

I have the honor to be, &c.,
(Sd.) V. RAJAGOPALA CHARY,
For Ag. Collector.

No. 553.

CANNANORE, 11th September 1896.

TO

THE COLLECTOR OF MALABAR,
Calicut.

SIR,

Referring to your letter, dated the 7th Instant, I have the honor to state that nothing can be done towards the payment of the alleged arrears until the obscurity in which the matter is involved is cleared and until certain informations asked for by me and promised by your predecessor are furnished.

2. My letters noted below will show that the accounts furnished are not free from doubt.

- (1) Letter dated the 17th November 1894, No. 153.
- (2) Letter dated the 21st March 1895, No. 373.
- (3) Letter dated the 15th May 1896, No. 325.
- (4) Letter dated the 18th May 1896, No. 327.
- (5) Letter dated the 27th May 1896, No. 337.

(6) Letter dated the 29th May 1896, No. 338.

(7) Letter dated the 6th July 1896, No. 421.

3. The accounts, &c., asked for in the following letters have not been furnished to me.

- (1) Letter, dated the 17th November 1894, No. 153, Para. 6.
- (2) Letter, dated the 15th May 1896, No. 325.
- (3) Letter, dated the 18th May 1896, No. 327, Paras. 3, 16, 17 and 18.
- (4) Letter dated the 27th May 1896, No. 337, Para. 9.
- (5) Letter dated the 4th June 1896, No. 348, Para. 1.
- (6) Letter dated the 6th July 1896, No. 421, Para. 4.
- (7) Letter dated the 6th July 1896, No. 422.
- (8) Letter dated the 6th July 1896, No. 423.

4. When the information applied for is supplied, I hope to be able to convince you by a full report that the position assigned to me in respect of the Karar Territory is incompatible with the terms of the Treaty.

I have the honor to be, &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

Ref. No. $\frac{172}{\text{Isl. 96.}}$

MALABAR COLLECTOR'S OFFICE,
CALICUT, 26th September 1896.

FROM

G. W. DANCE, ESQUIRE,
Ag. Collector of Malabar.

TO

M. R. Ry. SULTAN MUSA ALI RAJAH AVARGAL,
Cannanore.

SIR,

Adverting to your letter No. 553, dated the 11th Instant, I have the honor to observe as follows:—

Letter No. $\frac{44 \text{ Dis.}}{\text{Isl. 96}}$ dated 29th April 96.
" No. $\frac{61}{\text{Isl.}}$ dated 23rd May 96.
" No. $\frac{11}{\text{Confl.}}$ dated 20th July 96.
" No. $\frac{70 \text{ Dis.}}{\text{Isl. 96}}$ dated 19th June 96.

The letters mentioned in para. 3 of your letter, have all been answered with the exception of the last two, in this office letters noted in the margin.

2. In regard to the accounts asked for by you, in the last two letters, you were requested to depute one of your clerks to check the figures under "Sundries" [vide Dis. No. $\frac{44}{\text{Isl. 96}}$, dated 29th April 1896]. This has not yet been done. I have therefore the honor to enquire when the clerk may be expected.

3. The statement of balance of coir on hand at the end of each Fasli, will be sent to you in about a week.

I have &c.
(Sd.) J. H. GWYNNE,
for Ag. Collector.

Political Department.

Proceedings of the Madras Government.

Read the following:—

From Sultan Ali Rajah of Cannanore, No. 524, dated 29th August 1896, applying for copy of a G. O.,

: — : — : — : — :

Order:—No. 691, dated 28th September 1896.

Sultan Musa Ali Rajah of Cannanore will be furnished with a copy of para six of G. O., No. 405, Political, dated 20th December 1871, which alone refers to the Karar lands. The remainder of the order has not allusion to these and a full copy of it cannot be granted.

(True Extract)

(Sd.) J. J. WILSON,
for Chief Secretary.

Political Department.

Proceedings of the Madras Government.

Read the following paper:—

Order thereon, 20th December 1871, No. 405.

1.	*	*	*	*	*	*
2.	*	*	*	*	*	*
3.	*	*	*	*	*	*
4.	*	*	*	*	*	*
5.	*	*	*	*	*	*

6. On the mainland, and within what are known as the Karar limits, the Cannanore family occupy the position of an ordinary landholder. On the mainland they have no share whatever in the administration of Criminal and Civil Justice; they are themselves amenable to the Courts of the country, and are in no respect on a different footing from other landed proprietors.

* * * *

(True Extract)

(Sd.) J. J. WILSON,
for Chief Secretary.

No. 589.

To

THE COLLECTOR OF MALABAR,
Calicut.

Sir,

Referring to your letter No. 172, dated the 26th September last, I have the honour to state that with your permission I shall, even at the risk of being tedious, write at some length on the subject in hand, as the correspondence which has become rather voluminous took place before you joined the District. In doing so

I shall confine myself to broad facts, which will show that none of the questions raised in regard to the Island accounts have been solved as yet.

2. In reply to para. 17 of my letter No. 327, dated the 18th May last, applying for particulars of "sundries" occurring in the Island accounts which amounted to more than two lacs of rupees, I was informed in para. 3 of Mr. Hewetson's letter No. 70, dated the 19th June last, that a statement of details under "sundries" would be forwarded shortly. And yet in the letter under reference I am, I regret to say, tacitly blamed for not deputing a clerk to check the figures under "sundries", as desired in a superseded letter. I beg that the statement of "sundries" promised, may be furnished to me. I beg to add that the statement of coir referred to in para. 3 of the letter under acknowledgment has not yet been received.

3. In his letter, dated 30th May 1894, Mr. Bradley informed me that the arrears due by me amounted to merely Rs. 35,000 in Fasli 1303. In Mr. Moberly's letter No. 112, dated the 6th July 1895, the arrears were stated to be Rs. 75,118-11-4, which were reduced by Government to Rs. 45,425-4-1. In Mr. Hewetson's letter No. 44, dated the 29th April 1896, the arrears were fixed at Rs. 75,172-1-10 which was, it was stated, reduced to Rs. 45,245-4-11 by Government. But in his letter No. 55, dated the 13th May 1896, Mr. Hewetson informed me that the arrears were Rs. 82,823-0-5 and the interest on it Rs. 29,753-6-7, making a total of Rs. 1,12,576-7-0. As four different figures were returned as arrears for the same period, I begged for information regarding the variation in the marginally noted letters. I also asked for a copy of the statement reducing the arrears to Rs. 45,245-4-11. But I regret to state that neither the information nor the statement has been given to me yet.

4. In my letters quoted in the margin I complained about compound interest being charged on the arrears, though the circumstances were such as to render the expediency of charging simple interest doubtful. Apart from this, certain "paper deficits" were added to the arrears with the result that the latter were unduly augmented. The surplus exhibited in the accounts was in certain years the result of charging compound interest on, and adding "paper deficits" to, the arrears. It is therefore clear that the amount shown as surplus to my credit is not correct.

5. In my letters noted in the margin I begged for information regarding the non-inclusion of Rs. 68,250 in the accounts, being the Amini Divi compensation due to me for 13 years. This information I have not yet received.

6. In my letter No. 421, dated the 6th July 1896, I ventured to question the correctness of the surplus shown to my credit. This has not yet been replied to, and I do not know what has been done with Rs. 1,266, the balance due to me on account of the Amini Divi compensation.

pp. 10-28-33. 7. The suggestion made by me chiefly for the foregoing reasons, to have the accounts adjusted by a professional auditor in conjunction with my agent does not appear to have received attention.

8. I beg that the accounts for Fasli 1305 may be furnished to me as requested in my letter dated 6th July last No. 421.

Apologising for the length of the letter,

I have &c.,
(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No. 613.

CANNANORE, 30th October 1896.

To

THE CHIEF SECRETARY TO GOVERNMENT,
POLITICAL DEPARTMENT,
Madras.

Sir,

p. 48. In acknowledging the receipt of Government Order, dated the 28th September last No. 691, Political Department, I have the honor to state that from the extract furnished therewith of Government Order No. 405, Political Department, dated the 20th December 1871, it appears to have been decided that "on the mainland and within what are known as the Karar limits the Cannanore family occupy the position of an ordinary landholder".

2. What the reasons were which induced the Government to arrive at the above opinion, the extract kindly furnished does not state. The reasons are probably given in the letter or letters on which the Government Order was passed.

3. I have therefore the honor respectfully to request that copy of the letter or letters embodying the reasons for concluding that my House occupies the position of an ordinary landholder within the Karar territory may be granted to me. If the copy cannot be given, I shall be satisfied if an extract embracing the reasons is furnished. The information is required in connection with a representation I propose to make to Government on the subject.

I have &c.,
(Sd.) SULTAN MUSA ALI RAJAH OF CANNANORE.

Political Department.

Proceedings of the Madras Government.

Read again G. O. No. 691, dated 28th September 1896.

Read also the following paper:—

From Sultan Musa Ali Raja of Cannanore, No. 613, dated 30th October 1896.

Order, No. 813, dated 20th November 1896.

Sultan Musa Ali Raja of Cannanore will be informed that the decision in paragraph 6 of G. O. No. 405, Political, dated 20th December 1871 was based

on the instructions of the Court of Directors conveyed in a letter, dated 26th October 1853. The Government regrets that it is unable to furnish a copy of this letter.

(True Extract)

(Sd.) A. L. HANNAY,
for Chief Secretary.

Post Card.

MALABAR COLLECTOR'S OFFICE,
CALICUT, 5th December 1896.

Has the honor to request an early reply to this office letter, dated 7th September last regarding the arrears of peishcush due.

(Sd.) M. SRINIVASA RAO,
for Collector.

No. 740.

CANNANORE, 7th December 1896.

To

THE COLLECTOR OF MALABAR,
Calicut.

Sir,

Referring to your post card, dated the 5th inst. requesting an early reply to your letter dated the 7th September last, I have the honor to state that it was replied to in my letters, dated the 11th September and 23rd October last, Nos. 553 *p. 46.48.* and 589 respectively.

2. I regret to have to state that every day's delay in furnishing the information and accounts repeatedly applied for by me and summarised in my letter No. 589 of the 23rd October last tends to enhance my liability and complicate matters.

I have &c.,

(Sd.) SULTAN ALI RAJAH OF CANNANORE.

No.

MALABAR COLLECTOR'S OFFICE,
CAMP MANANTODDY, 2nd December 1896.

FROM

G. W. DANCE, ESQUIRE,
Ag. Collector of Malabar

To

M. R. Ry. SULTAN MUSA ALI RAJAH AVARGAL
of Cannanore.

Sir,

With reference to your letter, dated 23rd October last No. 589, I have *p. 48.* the honor to reply as follows:—

Para 2. The Statement of Coir and the Statement of Sundries are herewith forwarded.

Para 3. It is not known how Mr. Bradley fixed the arrears in Fasli 1303, at Rs. 35,000. The office copy of his letter, which appears to be a D. O., is not on record, and there is nothing to shew how this figure was arrived at. At the end of Fasli 1303, Government found that the arrears on account of the Islands and Karar lands amounted respectively to Rs. 23,082-9-9 and Rs. 22,342-10-4, or to a total arrear of Rs. 45,425-4-1. This amount was arrived at by deducting from the arrears under the Karar lands the surplus balances available in some of the years, under the Laccadive Islands. In March 1896, however, Government directed that no portion of any surpluses from the Islands should be devoted to the liquidation of the arrears due on account of the Karar lands and that the Island and Mainland Accounts should be kept perfectly distinct. Accordingly the revised accounts at the end of Fasli 1304 showed that the credit balance in your favor on account of the Islands was Rs. 16,943-15-4 and that the arrears on account of the Karar lands were Rs. 82,823-0-5, and the interest thereon Rs. 29,753-6-7. Detailed statements shewing how these figures were arrived at, were furnished to you with this office letter dated 13th May 1896, No. $\frac{55}{\text{Isl. 96}}$. The accounts furnished with this office letter, dated 29th April 1896, No. $\frac{44}{\text{Isl.}}$, shewed that the arrears amounted to Rs. 75,172-1-10, but these figures were prepared prior to the receipt of the revised accounts, and as they were not in accordance with the latest revision, they were cancelled [vide letter No. 55, dated 13th May 1896]. The accounts furnished with this office letter, dated 13th May 1896, No. $\frac{55}{\text{Isl.}}$, are in accordance with the latest revision.

Para 4. Interest is charged on the arrears under the Karar lands under the orders of Government. Vide also statements furnished with this office letter, dated 13th May 1896, No. $\frac{55}{\text{Isl.}}$. No action was taken on the letters referred to in this para as they related to accounts furnished to you, before they were revised by the Board and Government (vide Dis. No. 61, dated 27th May 1896).

Para 5. The question was gone into by my predecessor, and the results were communicated to you with letter No. 44, dated 29th April last. These accounts were however revised by the Board and Government, who gave credit for all sums due to you (vide Statements forwarded with letter, dated 13th May 1896, No. 55).

Para 6. The apportionment of the Amini Divi compensation was made under the orders of Government. Rs. 3,984 are credited to the Island accounts, and the balance Rs. 1,266 adjusted towards the arrears of interest under the Karar lands. (vide para 2 of this office letter, dated 20th July 1896, No. $\frac{11}{C}$ and the statements forwarded with letter No. $\frac{55}{13.5.96}$).

Para 7. The Island accounts were audited by the Treasury Deputy Collector in April last, and the result communicated to you with this office letter No. 44, dated the 29th April last. But the accounts have since been revised by the Board and

Government, and a copy of the accounts so revised was furnished to you with letter No. 55, dated 13th May 1896.

Para 8. The account shewing the receipt and charges during Fasli 1305, are herewith forwarded.

I have the honor &c.,

(Sd.) S. SWAMINATHA AYER,
for Ag. Collector.

Statement showing the balance of coir on hand at the beginning of each Fasli, since the sequestration of the Islands by the Government. *14.27.28.*

Fasli	Quantity		
	C.	M.	lb.
1286	569	15	7
1287	—	—	—
1288	—	—	—
1289	392	3	26
1290	584	1	13
1291	13	18	22
1292	—	—	—
1293	—	—	—
1294	342	—	—
1295	344	—	—
1296	482	—	—
1297	990	—	—
1298	124	—	—
1299	100	—	—
1300	156	3	11
1301	178	3	25
1302	161	11	5
1303	820	3	24
1304	1070	8	17
1305	1030	17	0
1306	1	3	12

Note. The balance at the end of a year is added to the receipts of the following year and the whole stock set apart for sale. The coir shown in this statement, has all been disposed of with the exception of 1 c.—3 m.—12 lbs. on hand at the beginning of Fasli 1306.

(Sd.) S. SWAMINATHA AYER,
for Ag. Collector.

Fasli Ending June 1876. (Fasli 1285.)

Charges, Sundries.

	Rs.	As.	P.
Cost of belts made for the peons and sent to Minicoy	20	12	1
Paid to Ali Malikhan being the pay due to him out of the rent realized on a certain land	64	3	6
Cost of a telegram sent to Cochin Tahsildar to supply the crew of a Minicoy Odi with provisions	2	0	0
Value of salt sent to Minicoy	369	11	0
Value of boxes etc. bought at the S. C. House	10	0	0
Value of Court-fee stamps on the darkhasts for Divi articles	1	0	1
Cost of putting tatties to the shed to prevent coir from being damaged by rain	43	7	6
Value of stationery bought by Superintendent for the preparation of accounts required by Mr. Winterbotham	1	1	0
Paid to Hemraj Sett being the sum over collected from him	12	3	3
Value of a box bought in the Collector's office for the custody of Divi records	7	0	0
Paid compensation to the pilot who guided the steamer to the Islands	30	0	0
Cost of a telegram to Mangalore to make arrangements with a merchant to supply Islanders with rice	6	0	0
Do. for cancelling the above	6	0	0
Total Rs.	573	6	5

Fasli 1286.

<i>Minicoy.</i> Value of salt sent to the Island	476	14	0
Amount spent by the Amin for the repair of Raja's vessels	74	14	0
Spent for ceremonies in mosque	12	15	0
<i>Mainland.</i> Value of coir which was paid to an Islander but had to be withheld and credited to sundries owing to an order from the District Munsiff Calicut			
It was re-drawn as a debit against sundries when the money was called for by the Court.	210	0	0
Amount paid to a merchant being value of cocoanuts short delivered	24	13	4
Cost of a telegram to the Master Attendant, Cochin	2	0	0
Total Rs.	801	8	4

Fasli 1287.

<i>Agathi.</i> Value of provisions, medicines etc. purchased for the Laccadive trip	265	3	0
Value of tools required for use on the Island	28	3	2
Moiety of compensation paid for piloting vessel taking Mr. Winterbotham and party from Kavarathi to Agathi	5	0	0
Value of stones for demarcating Pandaram lands	3	6	0

	Rs.	As.	P.
<i>Kavarathi.</i> Value of rice supplied	378	14	6
Value of provisions, medicines etc. purchased for the Laccadive trip	265	3	0
Remuneration paid for drawing a map of the Island	30	0	0
Value of tools required for use on the Island	28	3	2
Cost of food given to 5 Islanders who could not go back to the Island on account of monsoon	10	0	0
Compensation paid to certain tenants for the relinquishment of their claims to trees planted by them in Pandaram lands	8	8	0
Moiety of compensation paid for piloting the vessel taking the Island-inspection party from Kavarathi to Agathi	5	0	0
<i>Androth.</i> Value of rice supplied	725	0	0
Value of provisions etc. purchased for the trip	270	3	0
Value of tools required for use on the island	28	3	2
<i>Kalpeni.</i> Value of provisions, medicines etc. purchased for the trip	270	3	0
Value of tools required for use on the island	28	3	2
<i>Minicoy.</i> Value of provisions etc. purchased for the trip	266	2	10
Feed and keep of the cattle belonging to the Minicoy vessel sent out for Mr. Winterbotham's use and which had to be left behind at Calicut till the return of the vessel from the island	17	10	0
Value of tools required for use on the island	28	3	4
Repairs to the vessel chartered for use of Mr. Winterbotham	21	0	3
Value of firewood supplied to the crew of the vessel sent out for use of Mr. Winterbotham	4	0	0
<i>Mainland.</i> Amount paid to Ali Malikhan as per G.O. No. 416, dated 2nd July 1877	7,406	3	7
Total for Fasli 1287 Rs.	10,092	9	2

Fasli 1288.

Receipt, Sundries.

(1) Moiety of the sale proceeds of the unexpended portion of the articles supplied to the S. S. "Margaret Northcote"	26	2	2
(2) Value of rice sold to Kavarathi Islanders	49	14	4
(3) Sale proceeds of the vessel wrecked near Kavarathi	65	3	3
(4) Moiety of the sale proceeds of the unexpended portion of the articles supplied to the S. S. "Margaret Northcote" (<i>Androth</i>)	26	2	2
(5) Value of rice and salt supplied to the Islanders in the monsoon of 1871 together with the value of rice sold to them by Mr. Winterbotham	512	14	10

	Rs.	As.	P.
(6) Moiety of the sale proceeds of the unexpended portion of the articles supplied to the S. S. "Margaret Northcote" (Minicoy)	26	2	0
(7) Sale proceeds of maas and jaggery	228	10	8
(8) The amount recovered from the islanders for the salt sold to them in Fasli 1286, together with the sale proceeds of the annual contribution of rice levied from the Minicoy vessel owners	559	10	1
(9) Amount of advance taken from Government to meet the working expenses	11,500	0	0
	<u>12,994</u>	<u>11</u>	<u>6</u>

Charges, Sundries.

	Rs.	As.	P.
(1) Agathi	122	14	10
(2) Kavarathi	122	10	10
(3) Androth	144	9	8
(4) Kalpeni	122	10	9
(5) Minicoy	320	7	3
Total Rs.	<u>833</u>	<u>5</u>	<u>4</u>

Items Nos. 1 and 2 are the moiety of the godown rent on the coir stored at the Custom House godowns, the cost of purchasing scales and weights sent to the islands etc.

Item No. 3 includes the above charge and the cost of repairs to the Amin's Cutcherry.

Item No. 4 is the same as item Nos. 1 and 2. And item No. 5 also is the same as Nos. 1 and 2, with the exception of the cost of repairs to certain Pandaram vessels.

Fasli 1289.

Receipt, Sundries.

	Rs.	As.	P.
(1) Agathi	69	12	0
(2) Kavarathi	82	8	0
(3) Androth	252	12	0
(4) Kalpeni	69	0	0
(5) Minicoy	1,012	14	2
(6) Mainland	17	13	10

(a) Rs. 68 8 0
(b) " 1 4 0
69 12 0

Item No. 1 is composed of marginally noted two sums, the first of which is the value of Pandaram lands sold and the other sale proceeds of tools taken by Mr. Brodie on the Islands.

No. 2 is the value of rice sold to Kavarathi Islanders by Mr. Winterbotham.

No. 3 is the value of trees and improvements paid by a Plaintiff in a suit which the Defendant having refused to receive was credited to account.

Rs. 24 0 0
" 45 0 0
" 69 0 0

No. 4 is made up of the marginally noted two sums, the first of which is the value collected for the trees restored to the tenants, the trees being found to have been planted by them on the boundaries of the Pandaram lands and the other is the sale proceeds of timber taken from the sea.

Rs. 600 0 0
" 56 4 0
" 188 14 7
" 167 11 7
" 1012 14 2

No. 5 comprises of 4 sums marginally noted, the first of which is the freight of the Pandaram vessel Hydross Odi, the second is the value of coir sold by the Amin on the island, third sale proceeds of rice received from the Minicoy vessel owners, and the fourth the sale proceeds of the maas and jaggery from Minicoy.

Item No. 6 represents the sum reccredited in the accounts being the balance of deposit made with the Superintendent of Sea Customs to meet petty expenses.

Fasli 1289.

Charges, Sundries.

	Rs.	As.	P.
(1) Agathi	317	9	2
(2) Kavarathi	317	9	2
(3) Androth	317	9	1
(4) Kalpeni	397	8	10
(5) Minicoy	317	8	9
(6) Mainland	12,120	1	1
Total Rs.	<u>13,787</u>	<u>14</u>	<u>1</u>

Items Nos. 1, 2 and 3 are the moiety of the provisions to S. S. Margaret Northcote, the godown rent paid on the coir stored in the Customs House, and the expense incurred in tattyng a shed in which coir was stored.

Item No. 4 comprises the above charges and the cost of repairs to the Amin's Cutcherry.

Item No. 5 is the same as Nos. 1, 2 and 3.

Item No. 6 is composed of Rs. 11,500, the sum repaid on account of the advance received and Rs. 607-1-1 paid to the Cannanore Municipality being the tax due by the Rajah and the cost of telegrams, viz. Rs. 13.

Fasli 1290.

In this fasli no details are given, but the statements show that a sum of Rs. 218-9-4, as having returned as an income under sundries, and a sum of Rs. 169-6-11 as a charge.

Fasli 1291.

Receipt, Sundries.

	Rs.	As.	P.
(a) Value of rice sold to Kavarathi Islanders by Mr. Winterbotham	41	4	0
(b) Sale proceeds of rice and jaggery	140	7	0
Annual contribution of rice levied from the Minicoy vessel owners	540	0	0
(c) Amount of advance drawn from Government to meet the working expenses	15,000	0	0
Total Rs.	15,721	11	0

Charges, Sundries.

	Rs.	As.	P.
(1) Agathi	96	14	5
(2) Kavarathi	103	10	5
(3) Androth	349	10	5
(4) Kalpeni	96	14	5
(5) Minicoy	32	0	0
(6) Mainland	16,479	8	6
Total Rs.	17,158	10	2

Item No. 1 represents the godown rent paid on the articles stored in the Customs godown and the value of coir repaid to a merchant owing to difference in weight.

Item No. 2 includes the same charges as No. 1, besides Rs. 6-12-0 spent by the Amin for cooly hire and other expenses.

Item No. 3 represents the same charges as No. 1, in addition Rs. 252-12-0, the value of trees and improvements paid by a Plaintiff in a suit which the Defendant having refused to receive was credited to account, but paid to him in Fasli under report.

Item No. 4 embraces the same charges as No. 1 and item No. 5 is the amount spent by the Amins for a Moilud ceremony and for repairing the Pandaram Odi.

Item No. 6 is composed of Rs. 1479-8-6, the Municipal tax due by Sultan Ali Rajah to the Cannanore Municipality for the year 1880-81 and 1881-82, and of Rs. 15,000 advance paid back to Government.

Fasli 1292.

Receipt, Sundries.

	Rs.	As.	P.
(a) Sale proceeds of planks etc. of the wrecked ship Mahableswhar	172	8	8
(b) Price of rice sold to Islanders	41	4	0
(c) Sale proceeds of maas fish	149	4	9
(d) Do. of jaggery	59	2	8
(e) Amount credited to the Island accounts being the undistributed portion of the reward sanctioned to the Amin of Androth	188	14	0
Total Rs.	611	2	1

Charges, Sundries.

	Rs.	As.	P.
(a) Godown rent for storing Island coir	72	8	1
(b) Refund of value of coir sold to a merchant	122	12	9
(c) Dieting charges of prisoners	38	8	0
(d) Cost of constructing and repairing Amin's Cutcherries	186	9	4
(e) Cost of telegrams sent to Inspector of Besses Light-house Colombo, for island purposes	8	7	0
(f) Salvage paid to the Islander who recovered portions of wrecks of the "Mahableswhar"	45	1	8
(g) Municipal tax paid on behalf of the Rajah	814	11	0
(h) Subsistence allowance paid to the crew of the State vessel "Mowlar Bandodi" during a portion of their unavoidable detention at Calicut	68	12	8
Total Rs.	1,357	6	6

Fasli 1293.

Receipt, Sundries.

(1) Sale proceeds of jaggery	30	13	8
(2) Sale proceeds of the damaged State vessel "Mowlar Bandodi" sanctioned in B. P. No. ⁷⁵⁶⁵ 10. 9. 1883	382	4	0
(3) Compensation for land taken up for light-house at Minicoy sanctioned in G. O. No. ¹⁰⁷ 16. 2. 1883	200	0	0
(4) Unexpended balance of the advance made to Mr. Tate on the occasion of his recent trip to the Islands and to the S. C. Superintendent	389	9	0
(5) Sale proceeds of unexpended rice purchased for the crew of S. S. "Margaret Northcote" during the recent trip to the Islands	27	7	0
Total Rs.	1030	1	8

Charges, Sundries.

(1) Godown rent for storing Island coir at the Customs House	78	1	10
(2) Refund of the value of coir sold to merchants which was found to be deficient in weight at the time of delivery, the deficiency having arisen from dryness and exposure	119	1	0
(3) Municipal tax paid on behalf of Ali Rajah	803	3	4
(4) Cost of repairing and constructing the Amin's Cutcherry at Agathi and Androth	310	0	0
(5) Payment of undisbursed portion of the reward sanctioned by Government to the Amin of Androth which was originally credited to the Island Funds	188	14	0
(6) Cost of medicines taken to the Islands	55	12	0
(7) Cost of an almyrah for keeping Island records	35	2	0
(8) Maintenance paid to the Minicoy State vessel	387	13	2
Total Rs.	1,982	15	4

Fasli 1294.

Receipt, Sundries.

	Rs.	As.	P.
(a) Amount refunded by Mr. Dance out of the amount advanced to him on the occasion of his recent trip to the Islands	208	12	9
(b) Amount recovered from Kasmi Koya, late Amin of Agathi, being the salvage alleged to be due to certain Islanders	494	4	4
(c) Sale proceeds of jaggery and maas from Minicoy	90	5	11
(d) Loans received from Government to meet the working expenses of the Island administration	22,000	0	0
(e) Amini compensation withheld and credited towards the liquidation of peishush arrears	5250	0	0
(f) Customary fee on a vessel newly built by the Gumastah of Minicoy	20	0	0
Total Rs.	28,063	7	0

Charges, Sundries.

(a) Godown rent for storing Island coir at Calicut	114	8	4
(b) Excess collection refunded to the purchaser of coir	751	15	2
(c) Cost of medicines taken to the Islands	28	10	6
(d) Price of "Koran" books purchased for the Island schools	241	2	0
(e) Municipal tax paid on behalf of the Rajah	808	3	4
(f) Repayment of loans received from Government	22,000	0	0
(g) Payment made to Sultan Ali Rajah under Board's orders	5000	0	0
(h) Cost of telegrams	10	1	0
(i) Expenses connected with the administration of oath to parties concerned in an Island case	2	8	0
(j) Cost of conveying records to and from Trichinopoly to enable Mr. Tate to draw up his inspection report	20	0	0
(k) Expenses incurred for repairing the Pandaram vessel "Hydrose"	28	6	6
(l) Miscellaneous	0	2	0
Total Rs.	29,005	8	10

Fasli 1295.

Receipt, Sundries

(a) Compensation received from the Engineer in charge of Minicoy-light-house for palm trees cut down to prevent obstruction of light	249	15	0
(b) Sale proceeds of jaggery and Ittala root flour received from Minicoy	31	8	9

	Rs.	As.	P.
(c) Amini Divi compensation for Fasli 1294	5,250	0	0
(d) Temporary loans from Government	25,000	0	0
(e) Refund of excess interest adjusted with reference to G. O. No. ^{620 Poll.} 3. 9. 85	175	15	4
Total Rs.	30,707	7	1

Charges, Sundries.

(a) Freight on jaggery and Ittala root from Minicoy	3	4	0
(b) Cost of timber for repairing the Pandaram vessel "Hydrose"	8	12	0
(c) Interest paid on arrears due by Sultan Ali Rajah	1,062	1	2
(d) Amini compensation withheld and credited towards the partial liquidation of Peishush arrears	5,250	0	0
(e) Municipal tax paid on behalf of the Rajah	808	3	4
(f) Godown rent at Calicut for storing coir etc.	95	11	2
(g) Repayment of loans taken from Government	25,000	0	0
(h) Cost of chains for suspending the scales in which island coir is weighed	13	0	0
(i) Postage on an unpaid cover received from Minicoy via Colombo	0	12	0
Total Rs.	32,241	11	8

Fasli 1296.

Receipt, Sundries.

(1) Rent collected from Agathi Islanders for license to fish in Bangaram shoals	4	6	0
(2) Value of a house built on Pandaram land at Kavarathi without permission and which was confiscated and sold by Mr. Dance	17	0	0
(3) Sale proceeds of maas and jaggery from Minicoy	159	13	2
(4) Temporary loans from Government	10,000	0	0
(5) Amini compensation for Fasli 1295	5,250	0	0
(6) Advance recovered from peons who accompanied Mr. Dance to the Islands	10	0	0
Total Rs.	15,441	3	2

Charges, Sundries.

(1) Price of rice taken to the Islands for paying wages to the labourers employed	928	1	0
(2) Refund of the portion of salvage money recovered from the ex-Amin of Agathi and credited to Island Funds	331	0	0
(3) Amount paid for constructing Kavarathi Amin's Cutcherry	305	8	10

	Rs.	As.	P.
(4) Price of demarcation stones supplied by the Androth Amin	116	3	0
(5) Price of medicines supplied to Kalpeni Amin	25	8	0
(6) Cost of sharpening choppers taken to Minicoy	4	8	0
(7) Cost of medicines and lymph taken to the Islands	99	3	0
(8) Dieting charges of prisoners brought from Androth and Kavarathi	8	5	0
(9) Excess collection refunded to the purchasers of coir	3	14	10
(10) Do of jaggery	35	4	6
(11) Advance repaid by the peon who accompanied Mr. Dance	10	0	0
(12) Godown rent	78	8	10
(13) Amini compensation credited towards Peishcush	5,250	0	0
(14) Repayment of temporary loans	10,000	0	0
(15) Amount transferred from Island Fund to Imperial Revenue in liquidation of interest	51	9	3
Total Rs.	17,247	10	3

Fasli 1297.

Receipt, Sundries.

(a) Rent collected from Agathi Islanders for license to fish in Bangaram shoals	3	3	0
(b) Value of timber sold at Kavarathi	10	15	4
(c) Do. at Kalpeni	3	8	0
(d) Sale proceeds of maas and jaggery	75	13	3
(e) Value of coir received by mistake	104	0	0
(f) Sale proceeds of gunny bags brought from Minicoy	16	11	10
(g) Temporary loans from Government	10,000	0	0
(h) Amini compensation for Faslis 1296 - 1297	10,500	0	0
Total Rs.	20,714	3	5

Charges, Sundries.

(a) Amount refunded to the Kavarathi Amin, being the diet-expenses of prisoners fed by him	34	2	6
(b) Bandy hire for taking a prisoner to the Hospital	0	4	0
(c) Freight of jaggery from Minicoy	4	6	0
(d) Freight on maas-fish from Minicoy	3	8	0
(e) Do. 124 gunny bags from Minicoy	0	10	0
(f) Municipal tax paid on behalf of Ali Rajah	1,393	5	2
(g) Godown rent	65	8	4
(h) Amount paid in liquidation of a portion of arrears of Peishcush	10,000	0	0
(i) Amount of Amini compensation withheld towards the liquidation of Peishcush arrears	10,500	0	0
Total Rs.	22,001	12	0

Fasli 1298.

Receipt, Sundries.

	Rs.	As.	P.
(a) Fees collected from the Agathi Islanders for license to fish at Bangaram shoals	1	8	0
(b) Value of timber (wreck) sold at Agathi	240	3	8
(c) Do. at Kavarathi	17	13	11
(d) Quit rent on sites occupied by boat-sheds at Androth	20	4	0
(e) Value of rice paid by Minicoy vessels sailing to Bengal	300	0	0
(f) Value of maas fish from Minicoy	40	0	0
(g) Do. jaggery	136	2	6
(h) Value of slates, books, and slate pencils sold by the Sub-Collector to the Islanders	33	0	6
(i) Value of a bag of rice sold by the Sub-Collector on the islands	6	0	0
(j) Value of rice brought back after the trip	2	6	0
(k) Pay of the Island Clerk refunded	19	5	8
Total Rs.	816	12	3

Charges, Sundries.

(1) Remission of rent granted by the Collector and Sub-Collector	14	7	7
(2) Value of rice exported to Minicoy for sale	572	5	4
(3) Customary contributions to religious ceremonies at Minicoy	21	12	0
(4) Refund of the value of coir paid by mistake in Fali 1297	104	0	0
(5) Value of books and slates purchased for sale in the islands	30	10	0
Total Rs.	743	2	11

Fasli 1299.

Receipt, Sundries.

(1) Fees collected at Agathi for fishing at Bangaram shoals	0	10	0
(2) Sale proceeds of the floatsam at Kavarathi	9	0	6
(3) Quit rent on sites occupied by boat sheds at Androth	11	0	0
(4) Value of 100 bags of rice sent to Minicoy for sale	1,024	3	10
(5) Sale proceeds of rice left by the Sub-Collector for clearing jungle at Minicoy	283	2	0
(6) Value of rice purchased by the Collector for his use at Minicoy	7	10	0
(7) Value of rice brought back and sold at Calicut	8	0	0

	Rs.	As.	P.
(8) Amount paid to certain shipwrecked men of Amini Islands, but subsequently recouped from Provincial Revenue	35	8	0
(9) Portion of advance recovered from the Hospital Assistant and compounder who proceeded to Minicoy	14	10	8
(10) Earnings of Minicoy detenus	59	0	0
(11) Value of jaggery from Minicoy	139	3	5
Total Rs.	1,592	0	5

Charges, Sundries.

(1) Freight on Government articles from Minicoy	83	9	7
(2) Freight for exporting 100 bags of rice	50	0	0
(3) Do. on maas and jaggery	11	0	0
(4) Remuneration given to Minicoy Amin for selling rice	33	9	0
(5) Earnings of Minicoy detenus at Calicut	59	0	0
(6) Payment of certain shipwrecked men of the Islands attached to the Canara District	35	8	0
(7) Advance to Hospital Assistant and Compounder under orders to Minicoy	250	0	0
(8) Allowance to Minicoy detenus	486	2	0
Do Androth do.	16	0	0
(10) Refund ordered by the High Court of fines levied by the Sub-Collector in December 1889 at Androth	290	0	0
Total Rs.	1,314	12	7

Fasli 1300.

Receipt, Sundries.

(1) Fees collected at Agathi for fishing at Bangaram shoals	1	10	0
(2) Sale proceeds of timber recovered from the sea at Kavarathi	63	12	0
(3) Do. do. at Agathi	47	5	2
(4) Sale proceeds of a boat recovered from the sea at Androth	40	0	0
(5) Quit rent on sites occupied by boat-sheds at Androth	10	4	0
(6) Value of a tree permitted to be cut from Kacheri park at Androth	3	0	0
(7) Sale proceeds of unexpended stock of rice taken over to the Islands in 1891 by the Collector	119	15	0
(8) Portion of advance made to the Hospital Assistant and Compounder	127	12	10
(9) Pay of the Island Establishment on the mainland refunded to the Treasury	8	14	5
(10) Value of jaggery brought from Minicoy	84	14	11
Total Rs.	507	8	4

Charges, Sundries.

	Rs.	As.	P.
(1) Freight for bringing maas and jaggery	5	8	0
(2) Advance made to the Hospital Assistant and compounder	320	0	0
(3) Charges incurred at Minicoy on account of medical staff employed there under orders from Government	148	2	3
(4) Allowance to Minicoy detenus	187	0	0
(5) Do. Androth	94	0	1
(6) Refund ordered by the High Court of fines levied at Androth in 1889 by the Sub-Collector	251	8	0
(7) Dieting charges of prisoners at Agathi	0	14	0
(8) Salvage for recovering wrecks at Kavarathi	0	14	4
(9) Do. at Androth	13	5	4
(10) Repair of Minicoy Amin's Cutcherry	7	0	0
(11) Customary expenses incurred at Minicoy	14	8	0
(12) Construction of a cutcherry and a school-house at Kalpeni and the value of excess coir refunded to the Amin of that Island	214	0	0
Total Rs.	1,256	12	0

Fasli 1301.

Receipt, Sundries.

(1) Sale proceeds of wreckage at Agathi	1	4	0
(2) Do at Kavarathi	3	9	4
(3) Quit rent on boats-sheds at Androth	10	8	0
(4) Sale proceeds of rice left by the Collector at Minicoy in March 1891	157	13	0
(5) Amount of advance repaid by the medical staff stationed at Minicoy	686	1	11
(6) Interest paid by Messrs. D. Maneckji & Co. on the value of coir purchased by them in auction	69	10	3
(7) Sale proceeds of the material of the old shed at the Calicut Customs House	8	6	1
Total Rs.	937	4	7

Charges, Sundries.

(1) Dieting charges of prisoners at Agathi	0	2	6
(2) Do. at Kavarathi	9	0	6
(3) Do. at Androth	11	8	0
(4) Expenses incurred at Minicoy on account of medical staff	348	8	0
(5) Freight on maas fish and jaggery	7	14	0
(6) Advance given to Hospital Assistant who went to Minicoy in 1892	200	0	0

	Rs.	As.	P.
(7) Value of medicines taken to the Islands	66	14	3
(8) Cost of 800 bags of rice purchased for sale at Minicoy	5,867	8	0
(9) Cost of a machine for twisting coir purchased for experimental use at Androth	39	10	0
(10) Cost of an application for copy of a Civil Court decision in which the Islanders were interested	0	1	0
<i>Total Rs.</i>	<i>6,551</i>	<i>2</i>	<i>3</i>

Fasli 1302.

Receipt, Sundries.

(1) Sale proceeds of wreckage, viz. planks etc. at Agathi	30	7	8
(2) Do. at Kavarathi	8	2	0
(3) Do. at Androth	12	1	4
(4) Quit rent on boat-sheds at Androth	10	8	0
(5) Sale proceeds of jaggery from Minicoy	520	14	2
(6) Do. of maas from Minicoy	607	1	11
(7) Do. of empty bags from Minicoy	102	6	0
(8) Price of rice remitted by the Amin of Minicoy	1,355	6	0
(9) Price of 2028 bags of rice drawn from the Treasury and sent to Minicoy	13,945	0	0
(10) Interest paid by D. Maneckji & Co.	179	3	0
(11) Value of 10 bags of rice sold by the Special Assistant Collector on the Islands out of the quantity taken for expenses	77	8	0
<i>Total Rs.</i>	<i>16,848</i>	<i>10</i>	<i>1</i>

Charges, Sundries.

(1) Refund of fine to a Kavarathi man	10	0	0
(2) Do. Androth man	10	0	0
(3) Money prizes awarded to school boys at Androth	8	0	0
(4) Freight paid to the Amin of Minicoy	748	14	8
(5) Money prizes awarded to school boys at Minicoy	6	0	0
(6) Advance to Hospital Assistant at Minicoy	565	4	7
(7) Price paid for 2028 bags of rice for Minicoy	13,945	0	0
(8) Advance paid to the Hospital Assistant who went to Minicoy in May last	200	0	0
(9) Advance paid to the Police guard who accompanied the Special Assistant Collector	42	0	0
<i>Total Rs.</i>	<i>15,535</i>	<i>3</i>	<i>3</i>

Fasli 1303.

Receipt, Sundries.

	Rs.	As.	P.
(1) Amount deposited by bidders subsequently returned to them	2,864	6	0
(2) Amount recovered from Hospital Assistant Mahmud Azman	509	11	0
(3) Value of rice in money paid by the Amin of Minicoy	1,595	0	0
(4) Amount of advance recovered from the Police guard who accompanied the Special Assistant Collector to the Islands	42	0	0
(5) Rent for ten months of the Tidal Observatory Clerk's house at Minicoy	20	0	0
(6) Sale proceeds of jaggery	81	0	5
(7) Do. of maas	2,704	13	4
(8) Price of cocoanuts sold at Minicoy	52	12	6
(9) Excess salary refunded by the Amin of Kavarathi	20	15	6
(10) Other items	1	12	5
<i>Total Rs.</i>	<i>7,892</i>	<i>7</i>	<i>2</i>

Charges, Sundries.

(1) Price of 527 bags of rice for use at Minicoy	3,658	6	0
(2) Freight paid to the Amin of Minicoy	1,175	8	0
(3) Deposit returned as the sale was not sanctioned	2,864	6	0
(4) Grant paid to the Schoolmaster at Androth	100	0	0
(5) Do. at Minicoy	12	0	0
(6) Advance made to the Hospital Establishment	250	0	0
(7) Printing sale notices and forms	44	6	3
(8) For belts for peons	5	0	0
(9) Medicines supplied to the Islanders	49	9	0
(10) Salvage paid to a Kavarathi Islander	4	7	0
(11) For a table and chair for the Island Department	14	0	0
(12) For polishing etc. iron knives for cutting jungle	5	12	0
(13) Refund of fine to a Kavarathi man	4	0	0
(14) Monthly allowance to State Detenu Syed Bukari Koya	4	0	0
(15) Paint etc. for the Hospital Assistant's house at Minicoy	20	11	4
(16) Cooly hire	0	10	0
(17) Excess money allowed to remain with the Amin of Minicoy for wages	25	8	6
(18) Yearly donations to Mukris at Minicoy	31	4	0
(19) For thatching etc. of Amin's Cutcherry at Kavarathi	4	5	6
<i>Total Rs.</i>	<i>8,273</i>	<i>13</i>	<i>7</i>

Fasli 1304.
Receipt, Sundries.

	Rs.	As.	P.
(1) Sale proceeds of floatsam got at Kalpeni after payment of salvage	24	12	0
(2) Price of 38 bags of rice supplied to the Observatory Clerk, Compounder, etc.	283	10	0
(3) Sale proceeds of Hydrose Odi	200	0	0
(4) Amount sent by the Hospital Assistant, Minicoy for rice	90	0	0
(5) Value of rice paid in money by the Amin of Minicoy	2,825	0	0
(6) Customary fees for constructing maas boats at Rs. 20 per boat	80	0	0
(7) Rent of the Tidal Observatory Clerk's house for one year	24	0	0
(8) Money received from the Collector of South Canara on account of the effects of two islanders belonging to this group, who died at Kiltan	253	8	6
(9) Sale proceeds of maas	1,352	15	10
(10) Do. jaggery	557	11	2
Total Rs.	5,691	9	6

Charges, Sundries.

(1) Androth establishment charges paid in advance	98	0	0
(2) Repair to Androth Amin's Cutcherry	105	0	0
(3) Do. Kalpeni do.	26	3	0
(4) Customary payment to the Mukris at Minicoy	14	4	0
(5) Expenses for the burial of Tidal Observatory Clerk's wife	3	8	0
(6) Paint purchased for the use of the Hospital Assistant's house at Minicoy	5	0	0
(7) Allowance paid to the State Detenus Syed Bukari Koya for 3 months	12	0	0
(8) Advance paid to the Hospital Assistant under orders to Minicoy	150	0	0
(9) Cooly wages for taking the Hospital Assistant's luggage for shipment	4	7	0
(10) Steamer charges for the Hospital Assistant from Calicut to Colombo	112	8	0
(11) Price of rice supplied to the Amin for sale	19,808	8	0
(12) Freight paid on Government articles from Minicoy	635	0	11
(13) Value of two wooden boxes for safe custody of the Island records	25	0	0
(14) Charges for printing forms	182	0	0
(15) Advance paid to the Minicoy Amin for meeting expenses incidental to the sale of rice at Minicoy	250	0	0
(16) Charges incurred for advertising notices inviting tenders for the purchase of coir	154	7	0
Total Rs.	21,585	13	11

Fasli 1305.
Receipt, Sundries.

	Rs.	As.	P.
(1) The working balance of the Fasli	5	11	5
(2) Sale proceeds of the floatsam at Agathi	6	0	0
(3) Do. Kavarathi	12	2	8
(4) Do. Androth	36	14	8
(5) Funeral expenses recovered from the Observatory Clerk	3	8	0
(6) Price of 36 bags of rice supplied to the Observatory Clerks, Compounder, etc.	275	4	0
(7) Amount of advance recovered from the Hospital Assistants in charge of Minicoy Dispensary	1,482	9	2
(8) Value of rice paid by the Amin of Minicoy	5,317	11	5
(9) Sale proceeds of jaggery	219	3	8
(10) Rent of the Tidal Observatory Clerk's house for 10 months	20	0	0
(11) Salary of January 1894 and house rent for one year up to 31st March of the T. O. Clerks credited to the Island Funds as the same was advanced to them by the Amin	119	0	0
(12) Amount recovered from the late Hospital Assistant Ameer Hussain, to recoup the contingent allowance of the Minicoy Dispensary	5	4	0
Total Rs.	7,503	5	0

Fasli 1305.

Charges, Sundries.

(1) Charges for constructing a Sub-Jail room at Agathi	55	0	0
(2) Charges for constructing two temporary sheds at Kavarathi for the Collector and his establishment during the late inspection	45	7	6
(3) Do. at Androth	14	8	0
(4) Salary of Hospital Assistant from 1st May 1895 to 31st March 1896 advanced by the Amin of Minicoy	527	5	4
(5) Charges incurred by the Amin of Minicoy in connection with the sale of rice	465	13	7
(6) Freight paid on jaggery from Minicoy	21	4	0
(7) Charges incurred in Fasli 1304 for advertising sale of coir in the "Madras Times"	21	0	0
(8) Charges for converting cheques into Demand Drafts	2	0	0
(9) Advance given to Hospital Assistants under orders to Minicoy	600	0	0
(10) Value of 700 bags of rice supplied to the Minicoy Amin in October 1895	4,112	8	0

	Rs.	As.	P.
(11) Freight on 700 bags of rice	350	0	0
(12) Value of medicines and contingent articles supplied to the Minicoy Dispensary	132	2	9
(13) Effects of two Islanders received in Fasli 1304 and sent with the inspection party for payment to the persons concerned	253	8	6
(14) Value of 10 bags of rice supplied to the Gumastah of Minicoy	60	10	0
(15) Sale proceeds of timber belonging to merchant Avulla Koya of Calicut sold by public auction on the Islands	50	8	8
<i>Total</i>	<i>Rs. 6,711</i>	<i>12</i>	<i>4</i>

(True copy)

(Sd.) S. SWAMINATHA IYER,
for Ag. Collector.

(True copy.)

Government (1898) of Madras.

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1898.

Spare copies

 Letter, No. 142, 25th February 1898.

FEBRUARY.

Laccadive Islands.

Regarding the future administration of the —.

CONFIDENTIAL.

POLITICAL DEPARTMENT.

LETTER—from

THE CHIEF SECRETARY TO THE GOVERNMENT OF
FORT ST. GEORGE,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FOREIGN DEPARTMENT.

SIR,

I am directed to refer to the correspondence ending with your letter No. 1755 I, dated 31st May 1895, which communicated copies of despatches to and from Her Majesty's Secretary of State for India regarding the future administration of the Laccadive islands and the attitude to be observed towards Sultan Musa Ali Raja of Cannanore.

2. With the first of these despatches the Government of India, in forwarding to the Secretary of State copy of Mr. Gibson's letter No. 778, Political, dated the 9th November 1894, pointed out that after setting off the amount representing the value of coir in the hands of the Madras Government against the arrears due by Sultan Musa Ali Raja on account of the islands, the arrears disappeared at the close

* Despatch No. 224 (Internal), dated the 18th October 1893.

of 1893-94; that the position was thus materially different from the state of affairs reported in 1893,* when it was understood that the tribute due in respect of the islands was hopelessly in arrears; that the Raja being unwilling to come to any amicable arrangement for the cession of his rights in the Laccadives and no arrears of peshkash being due on their account, the annexation of the islands as an act of state could not be supported (even if this would be a sufficient reason for supporting it) on the score of the Raja's indebtedness; and that the only remaining reasons, viz., the Raja's incompetence and the impossibility of ever restoring him to authority over the islands, would not justify their annexation. The Governor-General in Council was of opinion that the proper course to be followed and the plan best calculated to reconcile the duty of the British Government, as stated in Lord Cross' despatch No. 42, dated the 7th July 1892, with the refusal of the Raja to come to terms was definitely to set him aside for the rest of his life, informing him that the islands would continue to be administered by the Madras Government and that they

would be restored to native rule after his death, only if his successor were fit to administer them. The Government of India did not consider that annexation was the only remedy for the difficulties attending the administration of the islands owing to the absence of laws and the ostensibly temporary character of the sequestration. In many Native States the duties of administration had been undertaken on account of a ruler's incapacity, his inability to keep the peace, or for other good reasons, but the Government of India had never considered that it was in such a case tied down to continue faulty systems of administration: on the contrary, opportunities so afforded had been utilized in improving the administration and in making the continuance of the improved system, which had been in the meantime introduced, a condition of the restitution of a temporarily deposed ruler or of his successor.

3. The Secretary of State concurred in the view that the annexation of the islands could not be supported on the score of the Raja's indebtedness and that no coercion should be brought to bear on the Raja to induce him to cede his sovereign rights. He also agreed generally with the Government of India that the opportunity of the existing temporary British attachment of the islands should be utilized in order to improve the administration and to establish the improved system on a permanent basis, and that the continuance of such improved system should be one of the conditions of the restoration of the islands to the chief. He was not, however, satisfied as to the necessity of definitely setting aside the present Raja for life: such evidence of his personal incompetence as had been adduced would not justify a decision that it was impossible ever to trust him with authority in the islands. The Secretary of State accordingly suggested that instructions should be given for the introduction into the islands of such a scheme of administration, combined with arrangements for political supervision, as could be continued under the Raja's authority, and that the Madras Government should be required within a limited period, say of three years, to report on the progress made in the introduction of such an administrative system and on the conditions on which the islands could be transferred to native rule. The opportunity might then be taken, if necessary, of considering the special question of the personal competence of the present Raja for the exercise of his sovereign rights in the islands.

4. In communicating these despatches to the Governor in Council, the Government of India requested that steps might be taken for giving due effect to the wishes of Her Majesty's Government, the Raja being informed of the decision arrived at and being encouraged to regard the restoration of his authority as a possibility if he succeeded in proving himself worthy of being entrusted tentatively with the administration. A report, as indicated in the despatch from the Secretary of State, should be furnished within a period of three years, or at an earlier date in the event of the Madras Government being prepared before the expiry of that period to recommend the conditional restoration of the islands to native rule.

5. This matter has since been under consideration by the Board of Revenue in consultation with the Collector of Malabar and the report submitted to this Government by the Board has also been referred to the Hon'ble Mr. Winterbotham, an officer possessing an intimate acquaintance with the subject.

6. The first point for consideration is the revenue administration of the islands. The sources of revenue on the four northern islands of Agathi, Kavarathi, Androth and Kalpeni during the native administration consisted of (1) the monopolies of cocoanut fibre (coir), cowries, tortoise-shell, cocoanuts, holothuria, ambergris, salt and tobacco; (2) an export duty (in kind) on coir and an import duty (in kind) on rice; (3) confiscations, escheats, compulsory offerings (nazeranas), pilot customs and fines for criminal offences and for evasions of fiscal restrictions; and (4) cesses levied by the fiscal agents of the Raja (mukhyastuns), and by the kaji. The cocoanut, salt and tobacco monopolies, the export and import duties, the pilot customs, the nazeranas and the levy of cesses have now disappeared, and the only monopolies recognised are those of coir, cowries and tortoise-shell. The administration of the coir monopoly by the Raja in former years was very oppressive, and the islanders

were subjected to considerable hardships and losses by the coir being dried and beaten to reduce weight, by deductions on account of old debts which were calculated according to the inclination of the Raja's employés, by the exaction of presents by the Raja's agents, and by delay in the settlement of accounts. The islanders, while they are now free from these difficulties, enjoy better prices for the coir, the rates being very nearly the same as those prevailing in the South Canara islands, which are British territory. When the price of coir was high and that of rice low, the profits from the monopoly were considerable; but of late years the price of coir has fallen and that of rice risen, and, as a result, the profits of the monopoly have fallen.

7. All waste land in the islands originally formed the property of the community, rights of private property attaching to the trees and not to the soil. The Raja's assertion of proprietary right to waste land constituted an important grievance of the islanders. The lands which the Raja thus claimed are now treated as "crown lands" and granted to the islanders on improving-leases (cowles), some on money rent and some on rent in the shape of coir. The income from State lands and the receipts from the coir monopoly cover almost the entire revenues of the islands, the former representing about three-fourths and the latter one-fourth of the total.

8. In Minicoy, all land forms the property of the community, but is managed for the community by the State, a portion being rented to chief men on the island. On land managed by the State the people collect the nuts of the cocoanut trees for Government, taking a share of the collected nuts. With the exception of a few men who own trees on the rented lands and maintain boats, the other inhabitants are merely tree-climbers or sailors who serve the owners of trees and of boats. The State revenue consists of the sale-proceeds of cocoanuts, this being the largest item of receipt, rents of lands leased out to the chief men, a poll-tax on sugar levied from toddy-drawers and a similar tax on coir which is paid by the other inhabitants. Taxes formerly levied on fishing boats and on trading vessels have been abolished.

9. The principal question in this connection, in view of the islands being restored to Sultan Musa Ali Raja, is that of the coir monopoly. The islanders are obliged to procure their supplies of rice from the mainland, communication with which is interrupted for a great portion of the year on account of the monsoon. It is essential that they should complete the sale of a season's manufacture of coir in order to purchase their stocks of rice for the next season. The monopoly system, which provides a ready market for the coir and a ready provision of the food-supply, and which commands the good-will of the islanders is, in the opinion of the Collector of Malabar and of the Board of Revenue, the only system under which the islanders can live, provided that it is carefully supervised. During his last visit to the islands the Collector discussed the question with the amin, elders and inhabitants of the four northern islands and they were all opposed to the idea of free trade and preferred the monopoly under Ali Raja to free trade under him.

10. It is to be observed that although the monopoly system is now preferred by the islanders, this has not always been the case. In 1869 they had broken away from that system, which, in the words of Mr. MacGregor, could not then be said to exist. The reason for their present preference is not far to seek. For many years the monopoly price of coir was below the market rate, the islanders sold to the State at a loss and the State made a handsome profit: conditions have now altered, the wholesale market price is below the monopoly rate and the islanders without any trouble to themselves obtain better terms than they could get from private buyers. It is therefore not the monopoly system itself that suits the islanders, but the fact that the conditions of the system have for the present reduced the profit (*i.e.*, the demand) of the State below the normal. The system is the most favourable to the islanders only so long as prices are low and so long as the administration of it is strictly honest and trustworthy, and the preference shown by the islanders is really based on the fact that the market is not a reasonable but an artificial one. It is extremely doubtful whether the reduction in the profit

and the present conditions will continue under native rule. It is also to be remembered that the officers with the largest experience of the islands—Mr. MacGregor,

Mr. Logan and Mr. Winterbotham—have all looked upon the monopoly system as radically bad. It was only the very heavy fall in the price of coir that induced Mr. Winterbotham to admit, in 1889,* that it would be ungraceful for Government, having enjoyed the profits in the times of good prices, to shirk the loss when prices were low and to inflict it on the islanders. Mr. Galton was in favour of the system, but only as worked by Government, and he had never visited the islands.

Paragraphs 14, 63 and 80 of *précis* which accompanied Mr. Price's letter No. 453, Political, dated 4th September 1889.

* Paragraph 131, *ibid.*

Paragraph 105, *ibid.*

11. If the monopoly system is to be continued, it is by no means clear how the islanders are to be safeguarded against the abuses of the monopoly under which they laboured when they were under native administration. As will be shown later, the revenue from the islands is not sufficient, as the case at present stands, to meet the cost of administration and pay the tribute, and it is obvious that, even with the best of intentions, the Raja will be tempted to increase his revenues in some way. Even if the tribute is reduced, there is little ground for supposing that he will not seize the opportunities which the system offers for increasing his income. Should the Collector's supervision prove sufficient to prevent the reduction of the price for coir, there are other obvious means at the Raja's disposal for oppressing the islanders.

12. During the period of sequestration the islanders have brought their coir to Calicut without any compulsion, there being an understanding that the landing by island vessels of monopoly produce at any other port would be a ground for abolishing the system. It will, however, be impossible for the Raja, living as he does at Cannanore, to compel them to convey the monopoly coir and other dues to that port unless the Government were prepared to pass a law rendering it penal for the islanders to trade with any other port—a course which is obviously out of the question. If the monopoly system is retained it will therefore be necessary that

† Paragraph 13, *ibid.*

the Raja should be assisted by Government. On a previous occasion† a system of port clearances on the island, without which no coir from the Laccadives would be admitted into the British territory, was recommended. Some such arrangement would again be necessary. The Raja has, moreover, no proper place of storage for the coir, no staff and apparatus for weighment, and no honest agency to prevent the malpractices which drove the islanders desperate in the early years of the century.

13. The monopoly system would therefore prove successful under the Raja's administration, only if carefully supervised by the Collector. In other words, the Collector would manage the monopoly as heretofore, and the Raja would, as regards this part of the administration, be only the nominal ruler of the islands. This is hardly what the Secretary of State expects or the Raja would wish.

14. In the event of the monopoly system being abolished, it has to be considered whether any alternative schemes can be introduced. In 1877 Mr. Logan

‡ Paragraph 67, *ibid.*

§ Paragraph 91, *ibid.*

|| Paragraph 110, *ibid.*

proposed‡ an export duty on coir; Government in 1881 suggested§ payment in kind of a part of the annual produce; and a land or tree tax|| on the ordinary system has also been contemplated. All these proposals were set aside as being unacceptable to the islanders. If a land and tree tax were to be substituted, the Raja would be compelled to face a diminished revenue, since the whole area of the inhabited islands is a little over 4,000 acres and of this a great part has, during the sequestration, been already claimed and secured as *pandāram* (crown) property.

15. His Excellency the Governor in Council considers that, in the event of the restoration of the islands to the Raja, the introduction of any other revenue system into the four northern islands except the system of the monopoly of coir would be impossible, difficult as it will be for the Raja to administer the monopoly properly; because, firstly, the islanders are antagonistic and refuse to assent to his rule; secondly, the revenue of the islands is too small to enable him to engage efficient emissaries on the islands and efficient paymasters on the mainland; and, thirdly, he has no vessels, and cannot afford to charter any and thus compel the islanders to bring their coir to Cannanore.

16. The cowry and tortoise-shell monopolies are unobjectionable and might continue.

17. The monopoly system not being in force in Minicoy, the foregoing objections do not apply to the continuance under native rule of the arrangements at present in force there which are detailed in paragraph 8 *supra*.

18. The next question is that of judicial administration. As the islands do not form a part of British India, the provisions of the Indian Penal Code and of the Criminal Procedure Code have no force in them. At present the amins, one of whom is appointed on each of the five islands from among the inhabitants, deal with breaches of rules under the authority delegated to them by the British Government in virtue of its position as the paramount power. In criminal cases they can only imprison for fifteen days or impose a fine of Rs. 15; in civil matters their powers are not limited, but in practice all important suits are reserved for the officer visiting the islands. The latter exercises full powers, subject to appeal to the Collector if the inspecting officer is not the Collector.

19. The distances between the islands are too great to admit of a single educated magistrate administering civil and criminal justice in all of them. Leaving Minicoy out of account, Androth is 44 miles from Kalpeni, Kalpeni 35 miles from Agathi, Agathi 32 miles from Kavarathi, and Kavarathi about 80 miles from Androth. An officer proceeding in a sailing vessel from island to island would be considerably delayed and in some cases would find his return impracticable. The only practical plan is, therefore, to continue the present system in its main outlines. The powers now exercised by the amins might be transferred to the Raja's agents, whose jurisdiction as regards civil cases might be limited to suits not exceeding Rs. 250 in value. It would be necessary for the Raja to establish a court in the islands or which are withdrawn from them owing to their being related to one of the parties in the case or for other reasons. The officer presiding over this court should be bound to inspect each island annually and to decide on each island all suits arising thereon. Sentences of death and grave crimes should be referred to Government for confirmation and all cases where the Raja escheats property should be subject to the confirmation of the Collector of Malabar. The latter proviso is necessary as the manner in which the Cannanore family escheated property was one of the great grievances of the islanders twenty years ago.

20. If this scheme were carried out, it would be unnecessary to introduce any laws into the islands at present. A simple set of rules on the model of the Agency provide for the present system of inheritance which is complicated, as there are makkatayam law, and the other being divided according to the ordinary rules of Muhammadan law.

21. It is feared that the plan under which the agents of the Raja would exercise the judicial functions of the existing amins would give rise to trouble, as not only would these agents be exempt from the direct control of the British Government but the *ex*-amins would most certainly incite the islanders to resist their authority. Still if there is to be entire rendition to the Raja, the retention of the amins is impossible. The Raja would, moreover, experience some difficulty in finding a competent Judge, as the islands are anything but a pleasant residence

and they are too poor to afford a salary sufficient to compensate for the exile and privations which the office would involve.

22. As regards political supervision, the Collector of Malabar would be the Political officer, and it would be necessary that he should either personally or by one of his Assistants visit the islands periodically to ensure that the monopoly system is properly worked, that the administration of justice is satisfactory, and that the people generally are not oppressed. In order to perform these duties efficiently, and in view of the antagonism between the Raja and the islanders, a vessel of the Indian Marine Service would have to be placed at the Political officer's disposal at least twice a year.

23. With reference to the present financial condition of the islands, statements prepared by the Collector of Malabar for a period of ten years show that the

Heads of revenue.			Amount.	
			Rs.	
Coir monopoly	..	..	2,800	
Other monopolies	..	..	300	
State lands	..	..	7,800	
Other sources	..	..	700	
Total			11,600	

average annual income from all sources amounts in round figures to Rs. 11,600. Against this has to be set off Rs. 3,000, the cost of the present island establishment; Rs. 700, the cost of an establishment now maintained on the mainland; and Rs. 1,300, the estimated cost of contingencies, of the Raja's court to be established in the islands, and of the inspections of the islands. The net gain from the administration of the islands, if the Raja were to adopt the present system of administration as modified by the foregoing proposals, would therefore be Rs. 6,600, or Rs. 4,783 less than the tribute payable under present arrangements to the British Government. To hold the Raja responsible for the full stipulated tribute of Rs. 11,383, the islands must

yield Rs. 28,000 * against Rs. 11,600, * Rs. 11,383 x 2 + Rs. 5,000 (the cost of the present average revenue. It is management).

apparent, therefore, that either the tribute which was originally fixed at one-half of the net income from the islands, must be reduced, or the Raja must be allowed to increase his demands on the islanders. Any reduction in the monopoly price for coir is impracticable, since the rates are similar to those prevailing in the British islands attached to South Canara, and the islanders, who after losing heavily in the early days of the monopoly are now gaining by it, are likely to oppose vigorously any diminution in the prices paid to them. An enhancement of the rent of State lands is equally impossible as these lands have been granted on improving-leases under specific terms: the rents will doubtless increase at the periodical tree-counting for which the improving-leases provide, but the increase can only accrue slowly and there are no data by which the figures can now be estimated. Since the income of the islands has fallen off under British administration and since in the interest of good government the Raja cannot be allowed to raise his revenues at his own free will,

	Rs.
† Average annual income	11,600
Average annual cost of establishment and contingencies (in round numbers)	3,900
Net income	7,700
Half of above	3,850

His Excellency the Governor in Council considers that a remission of the tribute should be made from year to year—one-half of the net revenue of each year being collected subject to a minimum of Rs. 3,850,† this being a moiety of the net revenue under British administration. The Raja's administration will be more costly than that at present in force, and his profits are likely to be less than the minimum proposed; but no further remission should be allowed if, owing to maladministration, it is found necessary to insist on costly safeguards to ensure good government.

24. In connection with the question of the arrears of peshkash due by the Raja on account of his mainland property, I am to state that this Government

† Copy enclosed.

has lately received a communication ‡ from Sultan Musa Ali Raja in which he

contents that the net result of the financial administration of the islands from 1875, when they were placed under sequestration, after meeting the demand for peshkash on account of his property on the mainland as well as the tribute for the islands, is a surplus and not a deficit. He also holds that an improved system of administration such as is contemplated by the latest orders of the Secretary of State has been in force in the islands for more than twenty years and he prays for the speedy transfer of the islands to his control.

25. The question of the arrears of peshkash has been carefully examined by Appendix A to this letter.

the Board of Revenue in paragraphs 3 *et seq.* of its proceedings, No. 3358, dated 8th September 1897, which show that the Raja's calculations are incorrect. It will be seen that according to the revised statement appended to those proceedings there was a total surplus of Rs. 37,379 at the credit of the island administration at the end of fasli 1305 (1895-96), whilst the mainland account for the same period exhibited an outstanding demand against the Raja of Rs. 1,19,897, this amount being made up of Rs. 86,440 under peshkash and Rs. 33,457 under interest. There are, however, two points in which this account requires revision.

26. The first of these relates to the outstanding demand of Rs. 33,457 on account of interest in the mainland account. As regards this charge, I am to explain that, notwithstanding the distinction * made by the Court of Directors

* Paragraph 7 of despatch No. 5 of 1853. in 1853 between the tribute due in respect of the islands and the peshkash due on the mainland property, under which the former was declared to be a tribute proper and the latter an item of land revenue, the entire sum was treated as a charge against the island administration when the islands were sequestered in 1875. This system continued in force until the beginning of 1896, when the Government decided that the accounts of the islands and of the mainland should be kept distinct, and that the payment of the accumulated arrears on account of the latter property should be enforced under Act II of 1864. No interest has, however, been allowed on the surpluses of the island administration which have all along formed part of the Imperial Treasury balances. The enforcement of the payment of the mainland arrears after the demand has been permitted to fall into arrears for twenty years may justly be felt by the Raja as a hardship. He can at all events fairly claim that if a considerable sum is to be charged as interest on the arrears due on the mainland property, it is but fair that interest should be allowed on the surpluses of the island administration. In these circumstances, His Excellency the Governor in Council considers that the Government should either forego the claim of Rs. 33,457 on account of interest, or allow the Raja interest on the surpluses accruing from the islands. The Board of Revenue has been requested to report on these comparative claims. The Raja's contentions on this point are alluded to in the first clause of paragraph 8 of the proceedings of the Board of Revenue printed in appendix A to this letter.

27. The next point, viz., the charge of interest on temporary loans from Government, is dealt with in clause (e) of paragraph 8 of the same paper. As shown by the Board of Revenue, the accounts of the islands for each of the faslis 1300 to 1305 (1890-91 to 1895-96) exhibited a surplus and the amount (Rs. 2,042) charged as interest on temporary loans from Government, which were advanced for carrying on the administration pending the sale of the stocks of coir, should, in fairness to the Raja, be eliminated.

28. Crediting the Raja with the sums shown as interest on the mainland arrears and on temporary loans, there will still be an outstanding balance of Rupees 86,440 due on the mainland account against a surplus of Rs. 39,421 on the island account, or a net debit balance of Rs. 47,019. Pending a decision on these points the Board of Revenue has deferred taking coercive measures for the collection of the arrears due on the mainland property. This Government considers that these measures would best be postponed until final orders are passed on the question of restoring the islands to the Raja.

29. If it is decided to afford Sultan Musa Ali Raja an opportunity of endeavouring to continue the management of the islands on the lines followed during the period of sequestration, the following conditions will, in the opinion of His Excellency the Governor in Council, be absolutely necessary:—

- (1) The present system of management should be maintained.
- (2) Bloodshed or resort to arms should be avoided.
- (3) The Raja should make his own arrangements to visit the islands, Government undertaking to guarantee the good behaviour of the islanders towards him and his suite during the negotiations.
- (4) No new tax or fee should be imposed without the sanction of Government.
- (5) The civil and criminal justice now exercised by the amins should be entrusted to the Raja's agents under rules to be laid down by Government, grave crimes being reported to Government for orders and a circuit Judge being maintained by the Raja for all the islands.
- (6) If the Raja cannot enforce his authority without bloodshed, or resort to arms, he must stay proceedings and report the circumstances to Government.
- (7) The Government will remit the island tribute from year to year on the lines set out in paragraph 23 *supra*.
- (8) The Raja must engage to respect the improving-leases (cowles) given by the British Government.
- (9) The Raja must agree to maintain the leper hospital in Minicoy and not to interfere with the lighthouse there or the land on which it and the connected buildings stand.

30. In order to meet the wishes of Her Majesty's Government, the foregoing attempt has been made to invent some system of administering the Laccadives, which it shall be within the capacity of the Raja of Cannanore to carry on under British supervision. I am, however, to state that, in the opinion of His Excellency the Governor in Council, such a scheme is altogether impracticable, unless and until the islanders themselves are willing to accept the Cannanore Raja as their ruler.

31. The most important of the standing difficulties which must and will defeat all attempts to restore to the Cannanore family their lost authority on the islands, unless the family can regain the willing obedience of the islanders, are summarized below. No stress is laid on the fact that the present Raja is old, obese, ignorant, and feeble in mind and body; the difficulties will remain even in the unlikely event of his being succeeded by a capable and enlightened heir. There is, first, the difficulty of reaching the islands, and of passing from one island to another. The Raja and his adherents are not of a seafaring habit. He has not the means to procure a vessel such as might enable him to keep up regular communication with the islands, and the maintenance of such a vessel must entirely swallow up the small surplus revenue that the islands might otherwise be made to yield. Secondly, there is no practical method by which the islanders can be forced against their will to carry their coir to Cannanore, and the Raja therefore cannot work the monopoly system. Thirdly, the islanders cling to the monopoly system and will continue to do so, so long as the demand for island coir remains slack, and the price of rice (in which they are partly paid) is high. In the event of a land and a tree tax being substituted—the only practicable alternative—the Raja must face a diminished revenue. In short, it is impossible to get over the difficulty that nature has placed the islands beyond the Raja's reach. With all the resources of the British Government, the inaccessibility of the islands renders their administration difficult, unprofitable and unsatisfactory, but to the Cannanore family this inaccessibility is a permanent, natural, insuperable bar, which makes it impossible to win submission or revenue from the islands, except perhaps by spasmodic buccaneering expeditions, which could not, of course, be countenanced.

32. His Excellency the Governor in Council is convinced that it is impossible for the Raja's administration to succeed, and he is much opposed to making the islanders the subject of an experiment which he feels certain must, after subjecting

them to much trouble and misery, end in failure. Rightly or wrongly, these people have been *de facto* British subjects for years past and have enjoyed, so far as has been practicable under their peculiar circumstances, the rights and privileges attaching to that status; and it seems doubtful whether the paramount power has a moral right to hand them over, bound hand and foot, to the government of a man whose administration (partly or mostly from causes beyond his control) must of necessity be oppressive if it is to pay its unavoidable expenses. If it were proposed to cast them adrift altogether, they would, no doubt, successfully resist all attempts of the Raja to establish his authority over them. But that is not what is proposed; nor indeed would such a course be advisable in the interests of the islanders themselves, for it is too probable that the entire emancipation from control of a population so obviously unable to find for itself and so peculiarly circumstanced in regard to its food-supply, would be its speedy decimation, if not entire extinction, by starvation.

I have the honour to be,
Sir,

Your most obedient servant,

FORT ST. GEORGE,
25th February 1898.

A. T. ARUNDEL,
Chief Secretary.

[Appendix.

APPENDIX A.

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

Read—the following letter from G. W. DANCE, Esq., Acting Collector of Malabar, to the Secretary to the Commissioners of Land Revenue, dated Camp, Chávakkát, 23rd July 1897, Dis. No. 117:—

I have the honour to submit a letter from Sultan Musa Ali Raja, dated the 22nd March last, but received by me only on the 10th ultimo. The main question raised is, whether we should adopt his "simple plan of taking the actual receipts and the actual expenditure of the administration of the islands for each year, and striking a balance excluding elements of confusion incidental to the carrying out of various debits."

2. The various contradictory figures which have been furnished to the Raja at different times are due to different methods of calculation.

3. Till fasli 1294 no interest was charged on the arrears. Every year the surplus from the islands was credited towards the Raja's arrears of peshkash. The amount due from him annually was put down at Rs. 15,000-0-11. From this, however, were deducted Rs. 5,250, the Amindivi compensation. The net annual peshkash thus amounted to Rs. 9,750-0-11.

4. In fasli 1294 interest was ordered to be charged on the arrears outstanding at the close of each year and the accounts were revised accordingly.

5. In 1890 interest was charged also on the temporary loans taken from Provincial funds to meet the current expenditure. At the same time the interest which had been charged in some years when the balance of unsold coir, &c., exceeded the amount of the arrears for the year was remitted. A second revision was thus made of the accounts from fasli 1294 to 1299.

6. In fasli 1304 the island accounts and the mainland accounts were ordered to be kept apart, the surplus revenue from the former, if any, being credited towards the liquidation of the arrears on the mainland. Later on, however, it was ordered that the surplus from the islands was to be exclusively credited in the island accounts, and not to be taken towards the liquidation of the arrears on the mainland.

7. I do not propose to offer any further remarks on the Raja's letter until the Board and Government have passed orders on his request to have a different system of calculation. Most of the discrepancies which are not due to the different methods of calculation can be explained.

Resolution—Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

Submitted to Government.

2. With his letter read above, the Collector of Malabar forwards a communication addressed to Government by Sultan Musa Ali Raja of Cannanore. The Raja reviews the financial administration of the Laccadive islands from 1875 when the islands were placed under sequestration, and contends that the net result, after meeting the peshkash demand on account of his property on the mainland as well as the tribute for the islands, is a *surplus* and not a *deficit* as made out by Government. He also contends that an improved system of administration such as is contemplated in the Secretary of State's latest orders regarding the islands has been in force now for more than 20 years and prays for the speedy transfer of the islands to his control.

3. The results of the financial administration of the islands during the period of sequestration as worked out in accordance with the latest instructions of Government will be found in the statement printed at pages 30 and 31 of Appendix B to the Raja's letter. This statement shows in one view for the 24 years ending with fasli 1304 the yearly demand, the amounts credited in liquidation of the demand, and the closing balance on account of the tribute due for the Laccadive islands and the peshkash due in respect of the Cannanore property. The islands were placed under sequestration in fasli 1285, but the demands of four previous faslis were outstanding at the time. The original consolidated demand of Rs. 15,000-0-11 per annum being apportioned against the islands and the Cannanore lands under the orders of Government, the portion (Rs. 11,383-0-11) appertaining to the islands is shown in column 3, and that (Rs. 3,617) appertaining to the Cannanore property in column 10 of the statement, against each of 23 faslis, the demands for fasli 1281 being Rs. 10,947-0-11 and Rs. 3,479-0-4 respectively. The compensation of Rs. 5,250 due to the Raja on account of the South Canara * islands being always regarded as an abatement of the total demands against him, it has been apportioned in the same way and in the same proportion as the original consolidated demand, and the portion (Rs. 3,984) appertaining to the islands is credited in column 5 of the statement in partial liquidation of the tribute, while the portion (Rs. 1,266) relating to the Cannanore lands is entered in column †

14 of the statement to the credit of the Cannanore peshkash. Column 6 of the statement shows the surplus or deficit resulting from year to year from the administration of the islands and taken in liquidation of, or in addition to, the arrears of tribute on which no interest is charged under existing orders.

4. Calculated as above, no portion of the tribute on the islands was outstanding at the end of fasli 1304. On the other hand, there was a net surplus of Rs. 16,943-15-4 which, together with the surplus of Rs. 20,435-3-4 due to the transactions of fasli 1305, gives a total surplus of Rs. 37,379-2-8 at the credit of the island administration.

5. In the case of the Cannanore peshkash interest is charged on the arrears

from year to year is a portion of the Amindivi compensation (Rs. 1,266). The net result at the end of fasli 1304 was an outstanding demand of Rs. 1,12,576-7-0, of which Rs. 82,823-0-5 represent peshkash and Rs. 29,753-6-7 interest. By adopting the same method of calculation, the demand outstanding at the end of fasli 1305 is Rs. 86,440-0-5 under peshkash and Rs. 33,456-12-8 under interest, or a total demand of Rs. 1,19,896-13-1 as shown in the margin. § If the island surplus be set off against the mainland arrears, the Raja will still owe Government Rs. 82,517-10-5. A revised statement of the accounts of tribute and peshkash brought up to the end of fasli 1305 is appended to these proceedings.

	RS.	A.	P.
§ Arrear demand of peshkash of fasli 1305	82,823	0	5
Add the current demand of the fasli	3,617	0	0
Total (A)	86,440	0	5
Arrear demand of interest ..	29,753	6	7
Current demand of interest at 6 per cent. per annum.	4,969	6	1
Total (B)	34,722	12	8
Deduct proportionate Amindivi compensation from (B)	1,266	0	0
Net demand per cent. of interest (C)	33,456	12	8
Total of (A) and (C)	1,19,896	13	1
	37,379	2	8

6. In Appendix A to his letter the Raja adopting a different method of calculation arrives at a balance of Rs. 81,391-9-10 in his favour at the end of fasli 1305, after liquidating the arrears, both of tribute and peshkash, against a *minus* balance of Rs. 82,517-10-5 resulting from the calculations adopted by Government. He first extracts the receipts and charges for each year

commencing from fasli 1285 from the accounts furnished to him by the Collector and by adopting them with slight variations, arrives at a closing balance at the end of fasli 1305 of Rs. 3,53,675-4-1 against Rs. 3,51,903-9-7,* the total assets resulting from the system of calculation adopted in the statement at pages 30 and 31 of Appendix B to the Raja's letter. From the former figure the Raja deducts Rs. 3,15,000, being the total of tribute and peshkash calculated for 21 years at Rs. 15,000 a year, the total obtained by the Government's system of calculation being Rs. 4,34,431-4-0 as shown in the margin.† To the balance of Rs. 38,675-4-1 arrived at by deducting the tribute and peshkash (Rs. 3,15,000), the Raja adds Rs. 4,503-5-6, being the erroneous collection of local cesses in past faslis which, under the Board's orders, were credited towards the arrears of the mainland peshkash in the accounts of fasli 1306. To the total of Rs. 43,178-9-7 arrived at as above, the Raja adds Rs. 38,213-0-3,

	RS.	A.	P.
* Net surplus of 21 years' administration of the islands ..	2,25,903	9	7
Total of the Amindivi compensation for 24 years at Rs. 5,250 per annum ..	1,26,000	0	0
Total ..	3,51,903	9	7

	RS.	A.	P.
† Total demands on account of the islands	2,84,140	6	11
Total demand on account of mainland property ..	90,287	0	4
Interest on the mainland arrears	59,993	12	9
Total ..	4,34,421	4	0

which is said to represent the balance remaining to be recovered from the advances made from time to time from the island funds, and arrives at a balance in his favour of Rs. 81,391-9-10 as stated in paragraph 2 *supra*. In view of the large variations noticed by him, the Raja asks for the examination of the accounts by a competent auditor in conjunction with his agent.

7. The net result calculated by the Raja exceeds that exhibited by the accounts of Government by Rs. 1,63,909-4-3. Particulars of this excess are as follows:—

	RS.	A.	P.
(a) Difference under Government demands	+ 1,19,421	4	0
(b) Difference in the credits of the Amindivi compensation ..	— 10,500	0	0
(c) Amount covered by a credit by refunds in fasli 1295 for which the Raja now takes credit by mistake [<i>vide</i> item 9 (c), paragraph 19, and item (e) of paragraph 18 of Board's Proceedings, No. 2401, dated 3rd November 1886]	+ 175	15	4
(d) Amount deducted by the Raja from the charges of fasli 1297 under the impression that it represented payment towards the arrears of peshkash, whereas it was really a repayment of temporary loans	+ 10,000	0	0
(e) Charge of interest on temporary loans in faslis 1300 to 1305, to which the Raja takes exception	+ 2,041	13	6
(f) The adjustment referred to in paragraph 5 of Board's Proceedings, No. 460, dated 10th December 1896, which the Raja omits to take into account	+ 153	10	0
(g) Amount by which the closing balance arrived at by the Raja for fasli 1286 is less than that shown in the administration report for the year	— 99	7	9
(h) The refund of local cess for which credit was given in the peshkash accounts of Government in fasli 1306 and for which the Raja takes credit in his present calculations. ..	+ 4,503	5	6
(i) Credit taken by the Raja on account of outstanding advances from the island funds	+ 38,213	0	3
(j) Amount overlooked in rounding off the surplus balance of fasli 1304	— 0	4	7
Total	+ 1,74,509	0	7
	— 10,599	12	4
Net result	+ 1,63,909	4	3

8. The variations noticed in the foregoing paragraph will now be explained:—

(a) and (b) *Difference under peshkash demands and under the credits on account of the Amindivi compensation.*—The Raja takes the original consolidated demand as Rs. 15,000 instead of as Rs. 15,000-0-11 (*vide* note at page cclxxv, Appendix XXI, of the Malabar District Manual, Vol. II). He overlooks the demands of faslis 1281 to 1284 and does not allow for interest on the portion of the demand relating to the Cannanore lands. He takes no credit for the Amindivi compensation due in faslis 1282 to 1284, while credit is taken for twice the usual

Amounts overlooked by Raja—	RS.	A.	P.
Peshkash of the four faslis 1281-1284	59,426	4	0
Omission of 11 pies of peshkash for 21 years	1	3	3
Total of interest charged on the mainland arrears from fasli 1281 to 1305	59,993	12	9

1,19,421 4 0

Deduct—			
Amindivi compensation for two years	10,500	0	0

of Board's Proceedings, Mis. No. 3189, Confidential No. 69, dated 9th July 1896, recorded in G.O., No. 482, Political, dated 5th August 1896, the Collector of Malabar has already explained the position to the Raja and informed him that nothing would be gained by any further reference to the higher authorities. It will be seen from paragraph 10 of Board's Proceedings, No. 5, Confidential No. 12, dated 8th January 1897, that the Board has recommended the remission of interest charged on the arrears due on the mainland property. But this recommendation is based on different grounds. No orders have yet been passed on the proceedings above quoted.

(d) *Omission of the charge of Rs. 10,000 in fasli 1297.*—In the administration report for the fasli this charge is referred to as incurred in liquidation of the arrears of peshkash and the Raja accordingly omits the charge in determining the surplus for the year. But from the correspondence it is clear that the charge represents a repayment of temporary loans and that the balance for the year should be reduced by this amount [*vide* item VI (g) of paragraph 3, and IX (h) of paragraph 4 of Board's Proceedings, No. 401, dated 11th June 1889].

(e) *Charge of interest on temporary loans from Government.*—In paragraph 9 of Board's Proceedings, No. 175, dated 22nd March 1890, recorded in G.O., No. 275, Political, dated 28th May 1890, instructions were issued to the effect that the whole of the profits of a year should immediately after the results are known be paid in liquidation of the arrears of peshkash and that, pending the sale of stock of coir, the administration should be carried on by means of temporary loans from Government to be recouped at the earliest opportunity, with interest at a rate not exceeding 6 per cent. per annum. The Raja contends that interest should not have been charged on the advances made from the treasury in faslis 1300 to 1305, as there were large stocks of coir on hand in those years. This contention is not in itself a valid ground for remission of interest. But it is to be observed that when the above-mentioned instructions were issued, a consolidated account was maintained of the tribute due on account of the islands and of the peshkash due on the Cannanore lands, with the result that for a series of years the peshkash demands were in arrears. Under recent orders no portion of any surplus from the islands should be devoted to the liquidation of the arrears of demand on the lands in Cannanore. By carrying out the order retrospectively, the accounts of the

Fasli.	Temporary loans taken.	Surplus at the beginning of each fasli.		
		RS.	A.	P.
* 1300	30,000	53,114	8	2
1301	10,500	53,935	10	0
1302	32,000	47,580	8	7
1303	15,000	36,801	8	4
1304	17,000	29,587	0	3
1305	2,500	16,943	15	4

islands show a surplus * in each of the faslis 1300 to 1305, from which the island administration may be regarded as having been carried on without the aid of temporary loans. For this reason the Board considers that the interest charge of Rs. 2,041-13-6 may be remitted.

(g) *Short credit of Rs. 99-7-9 in fasli 1296.*—The Raja takes the receipts (exclusive of the Amindivi compensation of Rs. 5,250) for the year as Rupees 89,595-7-11 and the charges as Rs. 47,410-14-2, whereas the figures appearing in the administration report for the year are Rs. 85,716-15-3 and Rs. 43,432-13-9 respectively. It is not understood how the Raja has come to adopt different figures.

(i) *Outstanding advances.*—The Collector does not appear to have examined the Raja's allegation that advances aggregating Rs. 38,213-0-3 are still to be recovered. But assuming that the advances are still outstanding, they were admittedly made in the interest of the island administration to which they will be duly credited on recovery. The Board therefore considers that they are meanwhile rightly treated as charges of the administration.

9. For the reasons stated in the foregoing paragraph the Board does not consider it necessary to accede to the Raja's request for an audit of the accounts. As regards the Raja's prayer for the immediate restoration of the islands to his authority, he may be informed by the Collector that the question, whether the existing system of administration is such as can be safely continued under native rule, is under the consideration of Government (*vide* Board's Proceedings, No. 5, Confidential No. 12, dated 8th January 1897).

10. In clauses (a) to (h) of paragraph 24 of his letter, the Raja asks for further information regarding certain transactions connected with the past administration of the islands. The Collector will be asked to furnish the necessary information to the Raja and to forward a copy of his communication for the information of the Board and Government.

(True Copy and Extract.)

(Signed) R. C. C. CARR,
Secretary.

Appendix to Board's Proceedings (Land Revenue), Mis. No. 3358, Confidential No. 119, dated 8th September 1897.

STATEMENT showing the accounts of tribute and peshkash due by Sultan Musa Ali Raja of Cannanore in respect of the Laccadive islands, and the lands at Cannanore, respectively, for a period of 25 years commencing with fasli 1281; also the financial results of the British administration of the Laccadive islands during the 21 years ending with fasli 1305.

Fasli.	Demand of tribute.				Amount available for credit in liquidation of the demand.*				Closing balance (Difference between columns 4 and 8).
	Arrears.	Current.	Total.	Amindivi compensation (a portion).	Surplus on hand at the beginning of each year.	Surplus of the island income of each year.	Total assets.		
								2		3	4	5	6	7	8
1	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
1281	10,947 0 11	10,947 0 11	10,947 0 11	3,984	14,931 0 22	3,984	10,947 0 11	10,947 0 11	
1282	18,346 1 10	11,383 0 11	22,330 1 10	3,984	26,745 2 9	3,984	18,346 1 10	18,346 1 10	
1283	25,745 2 9	11,383 0 11	29,729 2 9	3,984	33,144 3 8	3,984	25,745 2 9	25,745 2 9	
1284	33,144 3 8	11,383 0 11	44,527 4 7	3,984	48,511 5 6	3,984	33,144 3 8	33,144 3 8	
1285	36,772 15 8	11,383 0 11	48,155 6 7	3,984	52,139 11 5	3,984	36,772 15 8	36,772 15 8	
1286	1,887 15 1	11,383 0 11	13,271 0 6	3,984	16,254 11 1	3,984	1,887 15 1	1,887 15 1	
1287	1,158 11 1	11,383 0 11	12,541 12 0	3,984	15,522 15 11	3,984	1,158 11 1	1,158 11 1	
1288	6,522 2 4	11,383 0 11	17,905 3 3	3,984	18,752 15 11	3,984	6,522 2 4	6,522 2 4	
1289	7,869 15 0	11,383 0 11	19,242 15 11	3,984	21,185 11 8	3,984	7,869 15 0	7,869 15 0	
1290	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1291	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1292	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1293	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1294	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1295	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1296	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1297	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1298	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1299	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1300	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1301	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1302	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1303	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1304	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
1305	.....	11,383 0 11	11,383 0 11	3,984	15,367 0 11	3,984	.....	.....	
Total ..	.....	2,84,140 6 11	.....	95,615	2,25,903 9 7	.....	.....	.....	

* Represents the net result after paying Rs. 5,000 in cash to Ali Raja.

Statement showing the accounts of tribute and peshkash due by Sultan Musa Ali Raja of Cannanore in respect of the Laccadive islands, &c.—cont.

Cannanore lands (on the mainland).											
Fasli.	Demand of revenue.			Portion of the proportionate compensation credited to the revenue demand after meeting interest charges in full.	Net outstanding revenue (difference between columns 12 and 13).	Interest.		Portion of the proportionate compensation credited towards interest.	Outstanding demand of interest (difference between columns 17 and 18).		
	Arrears.		Current.			Total.	Balance outstanding at the beginning of the year.			Accrued during the year.	
	10	11									12	13	14	15	16	17	18	19
1281	3,479 0 4	3,479 0 4	3,479 0 4	1,057 4 2	3,479 0 4	.....	.....	208 11 10	208 11 10	.....	.....
1282	6,038 12 2	3,617 0 0	7,096 0 4	903 10 10	6,038 12 2	.....	.....	362 5 2	362 5 2	.....	.....
1283	8,752 1 4	3,617 0 0	9,655 12 2	740 14 0	8,752 1 4	.....	.....	525 2 0	525 2 0	.....	.....
1284	11,628 3 4	3,617 0 0	12,369 1 4	668 4 11	11,628 3 4	.....	.....	697 11 1	697 11 1	.....	.....
1285	14,676 14 5	3,617 0 0	15,245 3 4	385 6 2	14,676 14 5	.....	.....	880 9 10	880 9 10	.....	.....
1286	17,908 8 3	3,617 0 0	18,293 14 5	191 7 10	17,908 8 3	.....	.....	1,074 8 2	1,074 8 2	.....	.....
1287	21,334 0 5	3,617 0 0	21,525 8 3	.....	21,334 0 5	.....	.....	1,280 0 8	1,280 0 8	.....	.....
1288	24,951 0 5	3,617 0 0	24,951 0 5	.....	24,951 0 5	.....	.....	1,511 1 8	1,511 1 8	.....	.....
1289	28,568 0 5	3,617 0 0	28,568 0 5	.....	28,568 0 5	.....	.....	1,714 1 3	1,714 1 3	.....	.....
1290	32,185 0 5	3,617 0 0	32,185 0 5	.....	32,185 0 5	.....	.....	1,931 1 7	1,931 1 7	.....	.....
1291	35,802 0 5	3,617 0 0	35,802 0 5	.....	35,802 0 5	.....	.....	2,148 1 1	2,148 1 1	.....	.....
1292	39,419 0 5	3,617 0 0	39,419 0 5	.....	39,419 0 5	.....	.....	2,365 2 3	2,365 2 3	.....	.....
1293	43,036 0 5	3,617 0 0	43,036 0 5	.....	43,036 0 5	.....	.....	2,582 2 7	2,582 2 7	.....	.....
1294	46,653 0 5	3,617 0 0	46,653 0 5	.....	46,653 0 5	.....	.....	2,799 2 11	2,799 2 11	.....	.....
1295	50,270 0 5	3,617 0 0	50,270 0 5	.....	50,270 0 5	.....	.....	3,016 3 3	3,016 3 3	.....	.....
1296	53,887 0 5	3,617 0 0	53,887 0 5	.....	53,887 0 5	.....	.....	3,233 3 6	3,233 3 6	.....	.....
1297	57,504 0 5	3,617 0 0	57,504 0 5	.....	57,504 0 5	.....	.....	3,450 3 10	3,450 3 10	.....	.....
1298	61,121 0 5	3,617 0 0	61,121 0 5	.....	61,121 0 5	.....	.....	3,667 4 2	3,667 4 2	.....	.....
1299	64,738 0 5	3,617 0 0	64,738 0 5	.....	64,738 0 5	.....	.....	3,884 4 6	3,884 4 6	.....	.....
1300	68,355 0 5	3,617 0 0	68,355 0 5	.....	68,355 0 5	.....	.....	4,101 4 10	4,101 4 10	.....	.....
1301	71,972 0 5	3,617 0 0	71,972 0 5	.....	71,972 0 5	.....	.....	4,318 5 2	4,318 5 2	.....	.....
1302	75,589 0 5	3,617 0 0	75,589 0 5	.....	75,589 0 5	.....	.....	4,535 5 5	4,535 5 5	.....	.....
1303	79,206 0 5	3,617 0 0	79,206 0 5	.....	79,206 0 5	.....	.....	4,752 5 9	4,752 5 9	.....	.....
1304	82,823 0 5	3,617 0 0	82,823 0 5	.....	82,823 0 5	.....	.....	4,969 6 1	4,969 6 1	.....	.....
1305	.....	3,617 0 0	86,440 0 5	.....	86,440 0 5	.....	.....	51,993 12 9	51,993 12 9	.....	.....
Total ..	.....	90,287 0 4	.....	3,846 15 11	.....	.....	.....	.....	26,537 0 1	33,456 12 8	.....

Government (1898) of Madras.
POLITICAL.

CONFIDENTIAL.

Recd.

Regd.

1898.

Enclosures

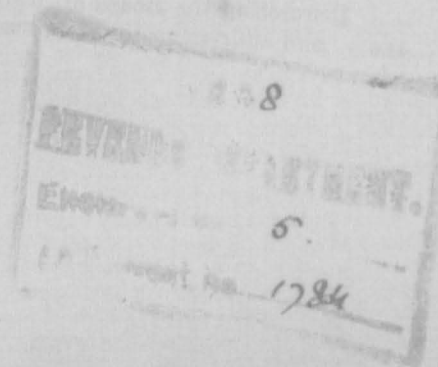
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G.O., No. 141, 25th February 1898.

FEBRUARY.

Laccadive Islands.

Requesting the Board of Revenue to submit certain information regarding the finances of the — and addressing the Government of India on the subject of the future administration of the islands.



CONFIDENTIAL.

GOVERNMENT OF MADRAS.

POLITICAL DEPARTMENT.

READ—again the following paper:—

G.O., No. 301, Political, dated 4th May 1897.

ABSTRACT.—Forwarding to Mr. Winterbotham, for his suggestion and opinion, papers containing proposals for the future administration of the Laccadive Islands.

READ—also the following papers:—

Official Memorandum, No. 975, Political, dated 4th May 1897.

In his letter No. 23-Genl./Isl., dated 19th March 1894, Mr. Bradley estimated the net income of Sultan Musa Ali Raja of Cannanore from the lands lying outside the karar limits at about Rs. 15,000 *per annum*, and stated that he did not know the Raja's income from the karar lands. The Collector of Malabar is requested to be good enough to, if possible, ascertain the Raja's income from these lands and report it to Government.

(Signed) J. F. PRICE,
Chief Secretary.

From G. W. DANCE, Esq., Acting Collector of Malabar, to the Chief Secretary to Government, dated Calicut, 11th June 1897, No. 10/Confdl.

With reference to memorandum No. 975, Political, dated 4th ultimo, I have the honour to note below particulars of Sultan Musa Ali Raja's approximate income from the karar lands:—

(1)	Rent in paddy per annum 86,000 measures, at Rs. 80 per 1,000.	Rs.
(2)	Rent in money	6,880
(3)	Perquisites on articles of imports and exports levied at the Cannanore town beach	5,880
(4)	Do. levied from fishermen for the use of the "fishermen's beach"	475
(5)	Do. levied on fishing nets	70
		153
	Total	13,458

2. Particulars of the expenditure incurred by the Raja are also subjoined:—

(1)	Establishment pay	Rs.
(2)	"Moilood" ceremony	144
(3)	Daily conjee to the <i>Moplah</i> poor	2,500
(4)	Lighting expenses in mosques and the palace premises	1,440
(5)	Sundry daily expenses	576
(6)	Price of paddy for domestic consumption	2,500
		500
	Total	7,660

To this amount the proportionate peishcush of Rs. 3,617 payable by the Raja on account of the karar lands (*vide* G.O., Confdl. No. 54, Political, dated 30th January 1894) should, I think, be added.

From H. M. WINTERBOTHAM, Esq., Third Member, Board of Revenue, to the Chief Secretary to Government, dated Madras, 28th June 1897.

I have the honour to reply to Confidential G.O., No. 301, Political, dated 4th May 1897, which reached me on May 25th. Having been engaged during June on special duty, I have been unable to answer it earlier.

2. To meet the wishes of Her Majesty's Government, the problem is to invent some system of administering the Malabar Laccadives, which it shall be within the capacity of the Raja of Cannanore to carry on under English supervision.

3. I have many times expressed the opinion that the invention of such a scheme is beyond the wit of man, unless and until the islanders themselves are willing to accept the Cannanore Raja as their ruler.

The suggestion I am about to make in this letter is that opportunity should be given to the Raja to convince himself, by actual experiment, of his utter inability to govern the islands at all. He may thus perhaps be brought to recognise (what his best friends must desire) the wisdom of ceding his rights to Government on the best terms he can get.

4. It may be well to recite a few of the standing difficulties which, I think, must and will defeat all attempts to restore to the Cannanore family their lost authority on the islands, unless the family can regain the willing obedience of the islanders. I lay no stress on the fact that the present Raja is old, obese, ignorant, and feeble in mind and body. The difficulties will remain even in the unlikely event of his being succeeded by a capable and enlightened heir.

First.—There is the standing difficulty of reaching the islands, and of passing from one island to another. The Raja and his adherents are not of a seafaring habit. He has not the means to procure a vessel such as might enable him to keep up regular communication with the islands. The maintenance of such a vessel must entirely swallow up the small surplus revenue that these islands might otherwise be made to yield.

Second.—There is no practical method by which the islanders can be forced against their will to carry their coir to Cannanore, and the Raja therefore cannot work the monopoly system.

Third.—The islanders cling to the monopoly system and will continue to do so, so long as the demand for island coir remains slack, and the price of rice (in which they are partly paid) is high.

Supposing a land and tree tax to be substituted (the only alternative I am able to suggest), the Raja must face a diminished revenue. The whole area of the five inhabited islands is only a little over 4,000 acres, and of this a great part has, during the sequestration, been already claimed and secured as *pandaram* (crown) property. I would note in passing that had not the Government, on placing the

islands under sequestration, stepped in and enforced the pandaram claim to a large portion of the island area, that claim would by this time have passed into oblivion, and squatters would have possessed themselves of all the plots which have been granted by Government on long lease.

5. By talking, the Raja cannot in anywise be brought to see these difficulties, and (according to the Collector, *paragraph 18 of his report, page 5 of the Government order*) is well content with the present methods of administration, and heartily desires (like Sancho Panza) to enter at once upon the duties of his island government. The islanders on their part are also satisfied with the existing arrangements for realising a revenue and maintaining liberty and peace, and are steadfastly opposed to being made the subject of experimental innovations.

With a view to convince the Raja (as Sancho Panza was convinced) that "a Government which will not find a man in food is not worth a peas-cod," I would meet his wishes, and give him the desired opportunity of trying his ability to continue the management of the islands on the lines which have been followed during the sequestration, and with which both he and the islanders express themselves content.

6. The only conditions that need be insisted upon are: (1) that there should be no resort to arms, fighting or blood-shed, and (2) that he should not alter the existing customary methods of raising a revenue without the previous consent of Government.

7. By holding out alluring visions of plunder and rape, it might be possible for a person, situated as the Raja is, to raise on the mainland a small armed band of adventurers willing to undertake the subjugation of the islanders. He might be able to charter a native craft, which might succeed in reaching one, or more, of the islands; and, if the unarmed islanders were taken unawares, I doubt not that they might thus be temporarily reduced to subjection.

This is a course which Government cannot possibly allow, and herein lies the Raja's first difficulty. Government cannot permit an attempt to subjugate the islands by force.

8. Let it be suggested to the Raja, however, that he should charter a vessel, set sail for the islands, and (in the event of his reaching any of them) see if he can, by negotiation and diplomacy, persuade the islanders to accept the rule which they have so long and successfully shaken off. The Government may safely guarantee the good behaviour of the islanders towards him and his suite during the negotiation. If he finds the islanders willing to attorn to him, well and good. There is no objection to Government withdrawing from the management at once, on the Raja undertaking to continue it on the same lines.

9. But how is he, living as he does at Cannanore, to compel the islanders to convey the monopoly coir, and other dues, to that port? Is Government prepared to pass a law rendering it penal for the unfortunate islanders to trade with any port but Cannanore? I trow not: no such prohibition has ever been in force, and would be intolerably unjust. During the period of sequestration what we have said to the islanders is: "If we find the island vessels landing monopoly produce at any port but Calicut, that will be a ground for abolishing the monopoly system."

The islanders cling to that system and have brought their coir to Calicut without any compulsion. If the Raja can in like manner persuade them to bring it to Cannanore, well and good. If the islanders receive prompt and honest payment, I do not see why they should object to the change. But in truth the Raja has no proper place of storage for the coir, no staff and apparatus for weighing, in the early years of the century. For instance, what can prevent the Raja's agents from resorting to the old device of paying for all the first-class coir as if it were third class, and who can redress this grievance if it occurs?

10. The position which the Government should take up with the Raja is therefore, I think, this:—Government believes that the dangers of the sea, the

inaccessibility of the islands, the smallness of their productive capacity, the unavoidable loss which their administration under any tolerable system must entail, and last, but not least, the hostility of the islanders, render it impossible for you to succeed in governing them.

You, however, are satisfied of your own capacity, and desire an opportunity of "proving yourself worthy of being tentatively entrusted with the administration." Government now resolves to grant you this opportunity with a view of bringing it to the test whether your opinion or that of Government is correct. You should therefore make your own arrangements for visiting the islands at the close of the monsoon. You must avoid blood-shed or resort to arms. During your visit Government will be responsible that you and your suite are treated by the islanders with due civility. It will be open to you to negotiate with the islanders, and persuade them to agree to recognise your authority. You may make what arrangements you please for the conveyance of the pandaram produce to Cannanore. You may appoint on each island, subject to the approval of Government, agents to collect your dues. Your agents will be permitted to exercise the civil and criminal jurisdiction at present exercised by the Government amins. In the event of any grave crime occurring you will report the circumstances to Government for orders.

If your authority is resisted so that you cannot enforce your orders without blood-shed, or resort to arms, your agents must stay proceedings and report the circumstance. You shall not attempt to exact any new tax, or fee, without the sanction of Government, and shall continue the same system of management as is now in force. In proportion as you and your agents show yourselves capable of facing and overcoming the difficulties of the situation, Government will from time to time do what it can to strengthen your hands.

If you determine to try this experiment, during the first year Government will, as an act of grace, remit half the annual sum due from you as island peishcush; but thereafter you must arrange to pay the said annual peishcush with punctuality. (This is the hold which Government has over the Raja, and I see no reason why that hold should be released. If he sticks to the old arrangement, he should be prepared to carry out its terms, all in all.)

11. By taking much thought we cannot get over the difficulty that nature has placed the islands beyond the Raja's reach. With all the resources of the British Government, the inaccessibility of the islands renders their administration difficult, unprofitable and unsatisfactory, but to the Cannanore family this inaccessibility is a permanent, natural, insuperable bar, which makes it impossible to win submission or revenue from the islands, except possibly by spasmodic buccaneering expeditions, which the British Government cannot countenance.

An experiment such as I have suggested seems to offer the readiest means of testing whether the problem set by the Home Government is capable of solution, or is (as I believe it to be) insoluble.

Memorandum No. 1845, Political, dated 4th September 1897.

In a special report on the future administration of the Laccadives, which Mr. Winterbotham has drawn up at the request of Government, he states, in dealing with the competence of the present Raja of Cannanore to rule the islands, that he is "old, obese, ignorant and feeble in mind and body." The Collector of Malabar is requested to be so good as to report, at a very early date, on these points.

(Signed) J. F. PRICE,
Chief Secretary.

From G. W. DANCE, Esq., Acting Collector of Malabar, to the Chief Secretary to Government, dated Camp, Manjéri, 9th September 1897, Confidential No. 15.

With reference to memorandum No. 1845 (Confidential), dated 4th instant, I have the honour to state that Mr. Winterbotham's remarks are perfectly correct.

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

Read—the following letter from G. W. DANCE, Esq., Acting Collector of Malabar, to the Secretary to the Commissioners of Land Revenue, dated Camp, Chavakkát, 23rd July 1897, Dis. No. 117:—

I have the honour to submit a letter from Sultan Musa Ali Raja, dated the 22nd March last, but received by me only on the 10th ultimo. The main question raised is, whether we should adopt his “simple plan of taking the actual receipts and the actual expenditure of the administration of the islands for each year, and striking a balance excluding elements of confusion incidental to the carrying out of various debits.”

2. The various contradictory figures which have been furnished to the Raja at different times are due to different methods of calculation.

3. Till fasli 1294 no interest was charged on the arrears. Every year the surplus from the islands was credited towards the Raja's arrears of peshkash. The amount due from him annually was put down at Rs. 15,000-0-11. From this, however, were deducted Rs. 5,250, the Amindivi compensation. The net annual peshkash thus amounted to Rs. 9,750-0-11.

4. In fasli 1294 interest was ordered to be charged on the arrears outstanding at the close of each year and the accounts were revised accordingly.

5. In 1890 interest was charged also on the temporary loans taken from G.O., No. 275, Political, dated 28th May 1890. Provincial funds to meet the current expenditure. At the same time the interest which had been charged in some years when the balance of unsold coir, &c., exceeded the amount of the arrears for the year was remitted. A second revision was thus made of the accounts from fasli 1294 to 1299.

6. In fasli 1304 the island accounts and the mainland accounts were ordered to be kept apart, the surplus revenue from the former, if any, being credited towards the liquidation of the arrears on the mainland. Later on, however, it was ordered that the surplus from the islands was to be exclusively credited in the island accounts, and not to be taken towards the liquidation of the arrears on the mainland.

7. I do not propose to offer any further remarks on the Raja's letter until the Board and Government have passed orders on his request to have a different system of calculation. Most of the discrepancies which are not due to the different methods of calculation can be explained.

Resolution—Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

Submitted to Government.

2. With his letter read above, the Collector of Malabar forwards a communication addressed to Government by Sultan Musa Ali Raja of Cannanore. The Raja reviews the financial administration of the Laccadive islands from 1875 when the islands were placed under sequestration, and contends that the net result, after meeting the peshkash demand on account of his property on the mainland as well as the tribute for the islands, is a *surplus* and not a *deficit* as made out by Government. He also contends that an improved system of administration such as is contemplated in the Secretary of State's latest orders regarding the islands has been in force now for more than 20 years and prays for the speedy transfer of the islands to his control.

3. The results of the financial administration of the islands during the period of sequestration as worked out in accordance with the latest instructions of Government will be found in the statement printed at pages 30 and 31 of Appendix B to the Raja's letter. This statement shows in one view for the 24 years ending with fasli 1304 the yearly demand, the amounts credited in liquidation of the demand, and the closing balance on account of the tribute due for the Laccadive islands and the peshkash due in respect of the Cannanore property. The islands were placed under sequestration in fasli 1285, but the demands of four previous faslis were outstanding at the time. The original consolidated demand of Rs. 15,000-0-11 per annum being apportioned against the islands and the Cannanore lands under the orders of Government, the portion (Rs. 11,383-0-11) appertaining to the islands is shown in column 3, and that (Rs. 3,617) appertaining to the Cannanore property in column 10 of the statement, against each of 23 faslis, the demands for fasli 1281 being Rs. 10,947-0-11 and Rs. 3,479-0-4 respectively. The compensation of Rs. 5,250 due to the Raja on account of the South Canara* islands being always regarded as an abatement of the total demands against him, it has been apportioned in the same way and in the same proportion as the original consolidated demand, and the portion (Rs. 3,984) appertaining to the islands is credited in column 5 of the statement in partial liquidation of the tribute, while the portion (Rs. 1,266) relating to the Cannanore lands is entered in column †

† Column 15 from fasli 1291. 14 of the statement to the credit of the Cannanore peshkash. Column 6 of the statement shows the surplus or deficit resulting from year to year from the administration of the islands and taken in liquidation of, or in addition to, the arrears of tribute on which no interest is charged under existing orders.

4. Calculated as above, no portion of the tribute on the islands was outstanding at the end of fasli 1304. On the other hand, there was a net surplus of Rs. 16,943-15-4 which, together with the surplus of Rs. 20,435-3-4 due to the transactions of fasli 1305, gives a total surplus of Rs. 37,379-2-8 at the credit of the island administration.

5. In the case of the Cannanore peshkash interest is charged on the arrears (vide column 12 ‡), and the only amount credited in liquidation of the arrears from year to year is a portion of the Amindivi compensation (Rs. 1,266). The net result at the end of fasli 1304 was an outstanding demand of Rs. 1,12,576-7-0, of which Rs. 82,823-0-5 represent peshkash and Rs. 29,753-6-7 interest. By adopting the same method of calculation, the demand outstanding at the end of fasli 1305 is Rs. 86,440-0-5 under peshkash and Rs. 33,456-12-8 under interest, or a total demand of Rs. 1,19,896-13-1 as shown in the margin. § If the island surplus be set off against the mainland arrears, the Raja will still owe Government Rs. 82,517-10-5. A revised statement of the accounts of tribute and peshkash brought up to the end of fasli 1305 is appended to these proceedings.

	RS.	A.	P.
§ Arrear demand of peshkash of fasli 1305	82,823	0	5
Add the current demand of the fasli	3,617	0	0
Total (A)	86,440	0	5
Arrear demand of interest	29,753	6	7
Current demand of interest at 6 per cent. per annum	4,969	6	1
Total (B)	34,722	12	8
Deduct proportionate Amindivi compensation from (B)	1,266	0	0
Net demand per cent. of interest (C)	33,456	12	8
Total of (A) and (C)	1,19,896	13	1
	37,379	2	8

6. In Appendix A to his letter the Raja adopting a different method of calculation arrives at a balance of Rs. 81,391-9-10 in his favour at the end of fasli 1305, after liquidating the arrears, both of tribute and peshkash, against a *minus* balance of Rs. 82,517-10-5 resulting from the calculations adopted by Government. He first extracts the receipts and charges for each year

commencing from fasli 1285 from the accounts furnished to him by the Collector and by adopting them with slight variations, arrives at a closing balance at the end of

	RS.	A.	P.
* Net surplus of 21 years' administration of the islands.	2,25,903	9	7
Total of the Amindivi compensation for 24 years at Rs. 5,250 per annum	1,26,000	0	0
Total	3,51,903	9	7

the Government's system of calculation being Rs. 4,34,431-4-0 as shown in the margin.† To the balance of Rs. 38,675-4-1 arrived at by deducting the tribute and peshkash (Rs. 3,15,000), the Raja adds Rs. 4,503-5-6, being the erroneous collection of local cesses in past faslis which, under the Board's orders, were credited towards the arrears of the mainland peshkash in the accounts of fasli 1306. To the total of Rs. 43,178-9-7 arrived at as above, the Raja adds Rs. 38,213-0-3, which is said to represent the balance remaining to be recovered from the advances made from time to time from the island funds, and arrives at a balance in his favour of Rs. 81,391-9-10 as stated in paragraph 2 *supra*. In view of the large variations noticed by him, the Raja asks for the examination of the accounts by a competent auditor in conjunction with his agent.

7. The net result calculated by the Raja exceeds that exhibited by the accounts of Government by Rs. 1,63,909-4-3. Particulars of this excess are as follows:—

	RS.	A.	P.
(a) Difference under Government demands	+	1,19,421	4 0
(b) Difference in the credits of the Amindivi compensation	—	10,500	0 0
(c) Amount covered by a credit by refunds in fasli 1295 for which the Raja now takes credit by mistake [<i>vide</i> item 9 (e), paragraph 19, and item (e) of paragraph 18 of Board's Proceedings, No. 2401, dated 3rd November 1886]	+	175	15 4
(d) Amount deducted by the Raja from the charges of fasli 1297 under the impression that it represented payment towards the arrears of peshkash, whereas it was really a repayment of temporary loans	+	10,000	0 0
(e) Charge of interest on temporary loans in faslis 1300 to 1305, to which the Raja takes exception	+	2,041	13 6
(f) The adjustment referred to in paragraph 5 of Board's Proceedings, No. 460, dated 10th December 1896, which the Raja omits to take into account	+	153	10 0
(g) Amount by which the closing balance arrived at by the Raja for fasli 1286 is less than that shown in the administration report for the year	—	99	7 9
(h) The refund of local cess for which credit was given in the peshkash accounts of Government in fasli 1306 and for which the Raja takes credit in his present calculations.	+	4,503	5 6
(i) Credit taken by the Raja on account of outstanding advances from the island funds	+	38,213	0 3
(j) Amount overlooked in rounding off the surplus balance of fasli 1304	—	0	4 7
Total	+	1,74,509	0 7
	—	10,599	12 4
Net result	+	1,63,909	4 3

8. The variations noticed in the foregoing paragraph will now be explained:—

(a) and (b) *Difference under peshkash demands and under the credits on account of the Amindivi compensation.*—The Raja takes the original consolidated demand as Rs. 15,000 instead of as Rs. 15,000-0-11 (*vide* note at page cclxxv, Appendix XXI, of the Malabar District Manual, Vol. II). He overlooks the demands of faslis 1281 to 1284 and does not allow for interest on the portion of the demand relating to the Cannanore lands. He takes no credit for the Amindivi compensation due in faslis 1282 to 1284, while credit is taken for twice the usual

	RS.	A.	P.
Amounts overlooked by Raja—			
Peshkash of the four faslis 1281-1284	59,426	4	0
Omission of 11 pies of peshkash for 21 years	1	3	3
Total of interest charged on the mainland arrears from fasli 1281 to 1305	59,993	12	9
	1,19,421	4	0

	RS.	A.	P.
Deduct—			
Amindivi compensation for two years	10,500	0	0

amount in fasli 1297 (*vide* particulars in the margin). Moreover the Raja does not accept the position assigned to him in respect of the Cannanore property as that of an ordinary British subject, and contends that, under the Treaties of 1793 and 1796, he retains the status of a sovereign in respect of his karar property on the mainland as well as of the Laccadive islands. He accordingly questions the liability to interest of the arrears of peshkash relating to the Cannanore property. In pursuance of the instructions contained in para. 2 of Board's Proceedings, Mis. No. 3189, Confidential No. 69, dated 9th July 1896, recorded in G.O., No. 482, Political, dated 5th August 1896, the Collector of Malabar has already explained the position to the Raja and informed him that nothing would be gained by any further reference to the higher authorities. It will be seen from paragraph 10 of Board's Proceedings, No. 5, Confidential No. 12, dated 8th January 1897, that the Board has recommended the remission of interest charged on the arrears due on the mainland property. But this recommendation is based on different grounds. No orders have yet been passed on the proceedings above quoted.

(d) *Omission of the charge of Rs. 10,000 in fasli 1297.*—In the administration report for the fasli this charge is referred to as incurred in liquidation of the arrears of peshkash and the Raja accordingly omits the charge in determining the surplus for the year. But from the correspondence it is clear that the charge represents a repayment of temporary loans and that the balance for the year should be reduced by this amount [*vide* item VI (g) of paragraph 3, and IX (h) of paragraph 4 of Board's Proceedings, No. 401, dated 11th June 1889].

(e) *Charge of interest on temporary loans from Government.*—In paragraph 9 of Board's Proceedings, No. 175, dated 22nd March 1890, recorded in G.O., No. 275, Political, dated 28th May 1890, instructions were issued to the effect that the whole of the profits of a year should immediately after the results are known be paid in liquidation of the arrears of peshkash and that, pending the sale of stock of coir, the administration should be carried on by means of temporary loans from Government to be recouped at the earliest opportunity, with interest at a rate not exceeding 6 per cent. per annum. The Raja contends that interest should not have been charged on the advances made from the treasury in faslis 1300 to 1305, as there were large stocks of coir on hand in those years. This contention is not in itself a valid ground for remission of interest. But it is to be observed that when the above-mentioned instructions were issued, a consolidated account was maintained of the tribute due on account of the islands and of the peshkash due on the Cannanore lands, with the result that for a series of years the peshkash demands were in arrears. Under recent orders no portion of any surplus from the islands should be devoted to the liquidation of the arrears of demand on the lands in Cannanore. By carrying out the order retrospectively, the accounts of the

Fasli.	Temporary loans taken.	Surplus at the beginning of each fasli.		
		RS.	A.	P.
* 1300 ..	30,000	53,114	8	2
1301 ..	10,500	53,935	10	0
1302 ..	32,000	47,580	8	7
1303 ..	15,000	36,801	8	4
1304 ..	17,000	29,587	0	3
1305 ..	2,500	16,943	15	4

islands show a surplus * in each of the faslis 1300 to 1305, from which the island administration may be regarded as having been carried on without the aid of temporary loans. For this reason the Board considers that the interest charge of Rs. 2,041-13-6 may be remitted.

(g) *Short credit of Rs. 99-7-9 in fasli 1296.*—The Raja takes the receipts (exclusive of the Amindivi compensation of Rs. 5,250) for the year as Rupees 89,595-7-11 and the charges as Rs. 47,410-14-2, whereas the figures appearing in the administration report for the year are Rs. 85,716-15-3 and Rs. 43,432-13-9 respectively. It is not understood how the Raja has come to adopt different figures.

(i) *Outstanding advances.*—The Collector does not appear to have examined the Raja's allegation that advances aggregating Rs. 38,213-0-3 are still to be recovered. But assuming that the advances are still outstanding, they were admittedly made in the interest of the island administration to which they will be duly credited on recovery. The Board therefore considers that they are meanwhile rightly treated as charges of the administration.

9. For the reasons stated in the foregoing paragraph the Board does not consider it necessary to accede to the Raja's request for an audit of the accounts. As regards the Raja's prayer for the immediate restoration of the islands to his authority, he may be informed by the Collector that the question, whether the existing system of administration is such as can be safely continued under native rule, is under the consideration of Government (*vide* Board's Proceedings, No. 5, Confidential No. 12, dated 8th January 1897).

10. In clauses (a) to (h) of paragraph 24 of his letter, the Raja asks for further information regarding certain transactions connected with the past administration of the islands. The Collector will be asked to furnish the necessary information to the Raja and to forward a copy of his communication for the information of the Board and Government.

(True Copy and Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Chief Secretary to Government.
Copy to the Collector of Malabar.

[Appendix.

Appendix to Board's Proceedings (Land Revenue), Mis. No. 3358, Confidential No. 119, dated 8th September 1897.

STATEMENT showing the accounts of tribute and peshkash due by Sultan Musa Ali Raja of Cannanore in respect of the Laccadive islands, and the lands at Cannanore, respectively, for a period of 25 years commencing with fasli 1281; also the financial results of the British administration of the Laccadive islands during the 21 years ending with fasli 1305.

Fasli.		Demand of tribute.			Amount available for credit in liquidation of the demand.			Closing balance (Difference between columns 4 and 8).	
		Current.		Total.	Amindivi compensation (a portion).	Surplus on hand at the beginning of each year.	Surplus of the island income of each year.	Total assets.	
		Arrears.	3	4	5	6	7	8	9
		RS. A. P.	RS. A. P.	RS. A. P.	RS.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
1281	..	....	10,947 0 11	10,947 0 11	3,984	....	....	3,984 0 0	10,947 0 11
1282	..	10,947 0 11	11,383 0 11	22,330 1 10	3,984	....	....	3,984 0 0	18,346 1 10
1283	..	18,346 1 10	11,383 0 11	29,729 2 9	3,984	....	....	3,984 0 0	25,745 2 9
1284	..	25,745 2 9	11,383 0 11	37,128 3 8	3,984	....	....	3,984 0 0	33,144 3 8
1285	..	33,144 3 8	11,383 0 11	44,527 4 7	3,984	....	....	7,754 4 11	36,772 15 8
1286	..	36,772 15 8	11,383 0 11	48,156 0 7	3,984	....	....	42,284 1 6	1,887 15 8
1287	..	1,887 15 1	11,383 0 11	13,271 0 0	3,984	....	....	8,128 4 11	1,158 11 1
1288	..	1,158 11 1	11,383 0 11	12,541 12 0	3,984	....	....	6,019 9 8	6,592 2 4
1289	..	6,592 2 4	11,383 0 11	17,905 3 8	3,984	....	....	11,111 11 10	6,793 7 5
1290	..	7,369 15 0	11,383 0 11	18,752 15 11	3,984	....	....	10,806 9 4	7,369 15 0
1291	..	....	11,383 0 11	11,383 0 11	3,984	....	....	25,169 11 8	— 6,416 11 9
1292	..	....	11,383 0 11	11,383 0 11	3,984	....	....	26,065 9 10	14,682 8 11
1293	..	....	11,383 0 11	11,383 0 11	3,984	....	....	45,602 4 11	— 43,605 15 2
1294	..	....	11,383 0 11	11,383 0 11	3,984	....	....	29,696 9 11	— 34,219 4 0
1295	..	....	11,383 0 11	11,383 0 11	3,984	....	....	26,399 15 7	— 18,313 9 0
1296	..	....	11,383 0 11	11,383 0 11	3,984	....	....	16,442 15 10	— 15,016 14 8
1297	..	....	11,383 0 11	11,383 0 11	3,984	....	....	47,953 2 7	— 5,059 14 11
1298	..	....	11,383 0 11	11,383 0 11	3,984	....	....	64,497 9 1	— 36,570 1 8
1299	..	....	11,383 0 11	11,383 0 11	3,984	....	....	65,318 10 11	— 53,114 8 2
1300	..	....	11,383 0 11	11,383 0 11	3,984	....	....	58,963 9 6	— 53,935 10 0
1301	..	....	11,383 0 11	11,383 0 11	3,984	....	....	48,184 9 4	— 47,580 8 7
1302	..	....	11,383 0 11	11,383 0 11	3,984	....	....	40,970 1 2	— 36,801 8 4
1303	..	....	11,383 0 11	11,383 0 11	3,984	....	....	29,587 0 3	— 29,587 0 3
1304	..	....	11,383 0 11	11,383 0 11	3,984	....	....	48,762 3 7	— 16,943 15 4
1305	..	....	11,383 0 11	11,383 0 11	3,984	....	....	2,25,903 9 7	— 37,379 2 8
Total	..	2,84,140 6 11	....	....	95,616	....	2,25,903 9 7	....	....

* Represents the net result after paying Rs. 5,000 in cash to Ali Raja.

Statement showing the accounts of tribute and peshkash due by Sultan Musa Ali Raja of Cannanore in respect of the Laccadive islands, &c.—*cont.*

Cannanore lands (on the mainland).												
Fasils.	Demand of revenue.				Portion of the proportionate Amindivi compensation credited to the revenue demand after meeting interest charges in full.	Net outstanding revenue (difference between columns 12 and 13).	Interest.			Total.	Portion of the proportionate Amindivi compensation credited towards interest.	Outstanding demand of interest (difference between columns 17 and 18).
	Arrears.		Current.				Total.	Balance outstanding at the beginning of the year.	Accrued during the year.			
	10	11	12	13									14	15	16	17	18	19
1281	3,479 0 4	3,479 0 4	3,479 0 4	1,057 4 2	3,479 0 4	3,479 0 4	208 11 10	208 11 10	208 11 10	208 11 10	208 11 10	208 11 10
1282	6,038 12 2	6,038 12 2	6,038 12 2	903 10 10	6,038 12 2	6,038 12 2	362 5 2	362 5 2	362 5 2	362 5 2	362 5 2	362 5 2
1283	8,752 1 4	8,752 1 4	8,752 1 4	740 14 0	8,752 1 4	8,752 1 4	525 2 0	525 2 0	525 2 0	525 2 0	525 2 0	525 2 0
1284	11,628 3 4	11,628 3 4	11,628 3 4	568 4 11	11,628 3 4	11,628 3 4	697 11 1	697 11 1	697 11 1	697 11 1	697 11 1	697 11 1
1285	14,676 14 5	14,676 14 5	14,676 14 5	385 6 2	14,676 14 5	14,676 14 5	880 9 10	880 9 10	880 9 10	880 9 10	880 9 10	880 9 10
1286	17,908 8 3	17,908 8 3	17,908 8 3	191 7 10	17,908 8 3	17,908 8 3	1,074 8 2	1,074 8 2	1,074 8 2	1,074 8 2	1,074 8 2	1,074 8 2
1287	21,334 0 5	21,334 0 5	21,334 0 5	24,951 0 5	21,334 0 5	21,334 0 5	1,266 0 0	1,266 0 0	1,266 0 0	1,266 0 0	1,266 0 0	1,266 0 0
1288	24,951 0 5	24,951 0 5	24,951 0 5	28,568 0 5	24,951 0 5	24,951 0 5	1,497 1 0	1,497 1 0	1,497 1 0	1,497 1 0	1,497 1 0	1,497 1 0
1289	28,568 0 5	28,568 0 5	28,568 0 5	32,185 0 5	28,568 0 5	28,568 0 5	1,714 1 3	1,714 1 3	1,714 1 3	1,714 1 3	1,714 1 3	1,714 1 3
1290	32,185 0 5	32,185 0 5	32,185 0 5	35,802 0 5	32,185 0 5	32,185 0 5	1,931 1 7	1,931 1 7	1,931 1 7	1,931 1 7	1,931 1 7	1,931 1 7
1291	35,802 0 5	35,802 0 5	35,802 0 5	39,419 0 5	35,802 0 5	35,802 0 5	2,148 1 1	2,148 1 1	2,148 1 1	2,148 1 1	2,148 1 1	2,148 1 1
1292	39,419 0 5	39,419 0 5	39,419 0 5	43,036 0 5	39,419 0 5	39,419 0 5	2,365 2 3	2,365 2 3	2,365 2 3	2,365 2 3	2,365 2 3	2,365 2 3
1293	43,036 0 5	43,036 0 5	43,036 0 5	46,653 0 5	43,036 0 5	43,036 0 5	2,582 2 7	2,582 2 7	2,582 2 7	2,582 2 7	2,582 2 7	2,582 2 7
1294	46,653 0 5	46,653 0 5	46,653 0 5	50,270 0 5	46,653 0 5	46,653 0 5	2,799 2 11	2,799 2 11	2,799 2 11	2,799 2 11	2,799 2 11	2,799 2 11
1295	50,270 0 5	50,270 0 5	50,270 0 5	53,887 0 5	50,270 0 5	50,270 0 5	3,016 3 3	3,016 3 3	3,016 3 3	3,016 3 3	3,016 3 3	3,016 3 3
1296	53,887 0 5	53,887 0 5	53,887 0 5	57,504 0 5	53,887 0 5	53,887 0 5	3,233 3 6	3,233 3 6	3,233 3 6	3,233 3 6	3,233 3 6	3,233 3 6
1297	57,504 0 5	57,504 0 5	57,504 0 5	61,121 0 5	57,504 0 5	57,504 0 5	3,450 3 10	3,450 3 10	3,450 3 10	3,450 3 10	3,450 3 10	3,450 3 10
1298	61,121 0 5	61,121 0 5	61,121 0 5	64,738 0 5	61,121 0 5	61,121 0 5	3,667 4 2	3,667 4 2	3,667 4 2	3,667 4 2	3,667 4 2	3,667 4 2
1299	64,738 0 5	64,738 0 5	64,738 0 5	68,355 0 5	64,738 0 5	64,738 0 5	3,884 4 6	3,884 4 6	3,884 4 6	3,884 4 6	3,884 4 6	3,884 4 6
1300	68,355 0 5	68,355 0 5	68,355 0 5	71,972 0 5	68,355 0 5	68,355 0 5	4,101 4 10	4,101 4 10	4,101 4 10	4,101 4 10	4,101 4 10	4,101 4 10
1301	71,972 0 5	71,972 0 5	71,972 0 5	75,589 0 5	71,972 0 5	71,972 0 5	4,318 5 2	4,318 5 2	4,318 5 2	4,318 5 2	4,318 5 2	4,318 5 2
1302	75,589 0 5	75,589 0 5	75,589 0 5	79,206 0 5	75,589 0 5	75,589 0 5	4,535 5 5	4,535 5 5	4,535 5 5	4,535 5 5	4,535 5 5	4,535 5 5
1303	79,206 0 5	79,206 0 5	79,206 0 5	82,823 0 5	79,206 0 5	79,206 0 5	4,752 5 9	4,752 5 9	4,752 5 9	4,752 5 9	4,752 5 9	4,752 5 9
1304	82,823 0 5	82,823 0 5	82,823 0 5	86,440 0 5	82,823 0 5	82,823 0 5	4,969 6 1	4,969 6 1	4,969 6 1	4,969 6 1	4,969 6 1	4,969 6 1
1305	86,440 0 5	86,440 0 5	86,440 0 5	90,057 0 5	86,440 0 5	86,440 0 5	5,186 6 4	5,186 6 4	5,186 6 4	5,186 6 4	5,186 6 4	5,186 6 4
Total	3,846 15 11	3,846 15 11	3,846 15 11	3,846 15 11	3,846 15 11	3,846 15 11	59,923 12 9	59,923 12 9	59,923 12 9	59,923 12 9	59,923 12 9	59,923 12 9
							26,537 0 1	26,537 0 1	26,537 0 1	26,537 0 1	26,537 0 1	26,537 0 1
							35,456 12 8	35,456 12 8	35,456 12 8	35,456 12 8	35,456 12 8	35,456 12 8

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 4130, dated 2nd November 1897.

Read—again the following reference to the Collector of Malabar, dated 17th September 1897:—

In his petition disposed of in Board's Proceedings, Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897, Sultan Musa Ali Raja of Cannanore contends that the tribute due for the Laccadive islands is a round sum of Rs. 15,000, and that the additional charge of pies 11 included in the accounts of the islands from year to year should be withdrawn. The note at page cclxxv, Appendix XXI, of the Malabar District Manual, vol. II, confirms the Raja's contention, and merely says that the exact amount appearing in the revenue accounts is Rs. 15,000-0-11. The Board is unable to find why or when the 11 pies were added. The Collector is requested to state whether the district records throw any light on the point.

(Signed) R. C. C. CARR,
Secretary.

Read—also the following letter from G. W. DANCE, Esq., Collector of Malabar, to the Secretary to the Commissioners of Land Revenue, dated Camp, Cochin, 25th October 1897, Dis. No. 132:—

Adverting to the Board's reference, dated the 17th ultimo, I have the honour to state that in the treaty printed at page 259 of vol. II of the Malabar Manual, the annual peishcush payable by the Raja of Cannanore is given as Rs. 15,000 only. But the amount appearing in the revenue accounts is Rs. 15,000-0-11. No records can be traced showing when and under what order the latter sum was fixed.

Resolution—Mis. No. 4130, dated 2nd November 1897.

Submitted for the information of Government in continuation of Board's Proceedings, Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

(True Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Chief Secretary to Government.

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 4336, dated 16th November 1897.

Read—the following letter from G. W. DANCE, Esq., Collector of Malabar, to the Secretary to the Commissioners of Land Revenue, dated Camp, Ponnani, 2nd November 1897, Dis. No. 137-Is. :—

With reference to paragraph 10 of Board's Proceedings, Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897, I have the honour to forward herewith copy of a letter sent by me this day to Sultan Musa Ali Raja of Cannanore explaining the discrepancies alluded to in paragraph 24, clauses (a) to (b), of his letter to Government, dated 22nd March 1897, No. 190.

2. Adverting to paragraph 7 of the Board's Proceedings, the Raja states that the following amounts are still outstanding on account of—

	RS.	A.	P.
(1) Rice supplied	36,938	13	0
(2) Salt	286	14	11
(3) Advance to hospital staff, etc.	987	4	4

With regard to (1), statements showing particulars of the rice supplied with remarks explaining the difference between the receipts and charges are enclosed. It will be seen therefrom that Rs. 38,213-0-3 are not outstanding.

(2) Though salt was purchased for Rs. 846-9-0, it is observed that the following recoveries were made in fasli 1288:—

	RS.	A.	P.
Value of rice and salt supplied to the islanders in the monsoon of 1871 with the value of rice sold to them by Mr. Winterbotham	512	14	10
The amount recovered from the islanders for the salt sold to them in fasli 1286, etc.	559	10	1
Total	1,072	8	11

No amount remains therefore to be collected. Moreover in paragraph 18 of the Administration Report for fasli 1288 (printed at page 53 of G.O., No. 72, Political, dated 23rd February 1880), Mr. MacWatters stated that the balance of the value of salt referred to in paragraph 23 of the report for faslis 1286 and 1287 had been collected.

Item No. (3).—The advances are first paid from the island funds and subsequently recouped from Provincial funds. The District Medical and Sanitary officer has been requested to make the necessary adjustments.

ENCLOSURES.

STATEMENT showing the amounts spent on account of supply of rice to the islanders.

Fasli.	Particulars.	RS.	A.	P.
1287	Value of rice supplied to the Kavarathi islanders	378	14	6
	Do. to the Androth islanders	725	0	0
1296	Price of rice taken to the islanders for paying wages to the labourers employed	928	1	0
1298	Value of rice exported to Minicoy for sale	572	5	4
1299	Freight on articles bartered for rice brought from Minicoy	83	9	7
	Freight for exporting 100 bags of rice to Minicoy	50	0	0
	Remuneration given to Minicoy amin for selling rice.	33	9	0
1301	Cost of 800 bags of rice purchased for Minicoy	5,867	8	0
1302	Freight on articles bartered for rice	748	14	8
	Cost of 2,028 bags of rice imported to Minicoy	13,945	0	0
1303	Cost of 527 bags of rice imported to Minicoy	3,658	6	0
	Freight paid to the amin for bringing bartered articles, maas and jaggery	1,175	8	0
	Freight on coir brought in part-payment of rice-money by the Minicoy amin	635	8	0
1304	Price of rice supplied to Minicoy and the repayment of loan of Rs. 13,945 taken in fasli 1302	19,808	8	0
	Freight on articles from Minicoy	635	0	11
	Advance given to Minicoy amin for meeting expenses in connection with the sale of rice	250	0	0
	Freight on coir from Minicoy	177	14	11
1305	Charges incurred by the Minicoy amin for selling rice.	465	13	7
	Freight on jaggery from Minicoy	21	4	0
	Cost of 700 bags of rice imported to Minicoy	4,112	8	0
	Freight on 700 bags of rice	350	0	0
	Value of 10 bags supplied to the Minicoy gumastah.	60	10	0
	Freight on coir from Minicoy	74	8	10
Total		54,758	8	4

Note—

The total amount spent on rice	54,758	8	4
Deduct Rs. 13,945 being the advance for rice repaid in fasli 1304 erroneously included under charges — vide Board's Proceedings, No. 48 (Land Revenue), dated 3rd February 1896			
Note to item 11 of the details under sundries (paragraph 8 of the Collector's report)	13,945	0	0
Balance	40,813	8	4

	RS.	A.	P.
The amount recovered	45,548	3	10
The amount recovered in excess	4,734	11	6
Add amount subsequently recovered	2,500	0	0
Total	7,234	11	6

The excess amount is owing to the sale of the articles bartered for rice having fetched more price in the Calicut market and to the price of rice taken to the islands for payment of wages to the coolies clearing the jungles having been included under rice for sale.

STATEMENT showing the amounts recovered on account of rice supplied.

Fasli.	Particulars.	RS.	A.	P.
1288	Value of rice sold to Kavarathi islanders	49	14	4
1289	Do. do.	82	8	0
1291	Do. do.	41	4	0
	Sale-proceeds of rice and jaggery	140	7	0
1292	Value of rice sold to the islanders	41	4	0
1298	Value of a bag of rice sold by Mr. Twigg on the islands	6	0	0
	Value of rice brought back after the trip	2	6	0
1299	Value of 100 bags sent to Minicoy for sale	1,024	3	10
	Sale-proceeds of rice left by Mr. Twigg for clearing jungles on the islands	283	2	0
	Value of rice purchased by the Collector during the trip	7	10	0
	Value of rice brought back and sold at Calicut	8	0	0
1300	Sale-proceeds of the unexpended stock of rice taken by the Collector to the islands in 1891	119	15	0
1301	Do. do. at Minicoy	157	13	0
1302	Price of rice remitted by the Minicoy amin	1,355	6	0
	Sale-proceeds of jaggery bartered for rice	520	14	2
	Do. of maas fish	607	1	11
	Do. of empty bags from Minicoy	102	6	0
	Price of 2,028 bags of rice drawn from the treasury and sent to Minicoy	13,945	0	0
	Value of 10 bags sold by the Special Assistant Collector on the islands	77	8	0
1303	Value of coir brought from Minicoy in part-payment of rice	9,105	0	0
	Value of rice paid in money by the Minicoy amin	1,595	0	0
	Sale-proceeds of jaggery bartered for rice	81	0	5
	Do. of maas fish	2,704	13	4
1304	Price of 38 bags supplied to the observatory clerk, etc.	283	10	0
	Value of rice paid in money by Minicoy amin	2,825	0	0
	Sale-proceeds of maas fish	1,352	15	10
	Do. of coir from Minicoy	1,879	10	6
	Do. of jaggery from Minicoy	557	11	2
1305	Price of rice supplied to the hospital staff, etc.	275	4	0
	Value of rice paid in money by Minicoy amin	5,317	11	5
	Sale-proceeds of jaggery	219	3	8
	Do. of coir from Minicoy	778	8	3
Total		45,548	3	10

From G. W. DANCE, Esq., Collector of Malabar, to M.R. Ry. SULTAN MUSA ALI BAJA, Avargal, of Cannanore, dated Camp, Ponnani, 2nd November 1897.

In continuation of my letter to the Board of Revenue, dated the 23rd July last, No. 117-IsI., a copy of which was forwarded to you, I have the honour to furnish you with the following information with reference to clauses (a) to (h) of paragraph 24 of your letter to Government, dated the 22nd March last.

Paragraph 24.—(a) Rs. 1,336-14-10, as detailed below, were spent on account of provisions purchased for the crew of the vessel which conveyed the inspection party to the islands and of the medicines supplied for the use of the crew, the inspection party and the islanders.

Agathi—Value of provisions, medicines, etc., purchased for the trip			RS.	A.	P.
Kavarathi—	Do.	do.	265	3	0
Androth—	Do.	do.	265	3	0
Kalpeni—	Do.	do.	270	3	0
Minicoy—	Do.	do.	270	3	0
			266	2	10
Total ..			1,336	14	10

To this you have added Rs. 1,103-14-6, the value of rice supplied to the Kavarathi and Androth islanders in fasli 1287. This amount has since been recovered from them.

(b) The difference is due to the amount of Rs. 49-2-10 and Rs. 28-12-0 collected at Agathi and Kalpeni, respectively, having been inadvertently omitted from the report under "Sundries" for fasli 1288. They have rightly been shown in the statements accompanying the report.

(c) The Pandaram lands in question were sold by Mr. Underwood for Rs. 68-8-0 as they were very small plots.

(d) The amount (Rs. 17-13-10) in question is the balance refunded by the Sea Customs Superintendent, Calicut, out of the advance made to him for meeting expenses in connection with the landing and weighing of the monopoly products. He has now been given a permanent advance of Rs. 100 to meet such charges.

(e) The amounts advanced to Mr. Tate and to me are Rs. 890 and Rs. 400, respectively, and those refunded by us were Rs. 839-9-0 and Rs. 208-12-9, respectively. The amounts advanced were shown under "Charges incidental to the visit to the islands."

(f) Rs. 751 is the surplus amount refunded to Messrs. Andrew & Co. as the full quantity of coir paid for by the company was not in stock.

(g) Expenses connected with the upkeep of the dispensary at Minicoy are first paid out of the island funds and subsequently recouped from Provincial funds. The District Medical and Sanitary officer has been requested to remit Rs. 987-4-4 to be credited to the island funds.

(h) Particulars of the charges under "Sundries" were furnished with my letter dated the 2nd December 1896. Steps are being taken to adjust the recoverable advances.

Resolution—Mis. No. 4336, dated 16th November 1897.

Submitted to Government in continuation of Board's Proceedings, Mis. No. 3358 (Confdl. No. 119), dated 8th September 1897.

2. In the absence of the Raja's petition, which is now before Government, the Board is unable to verify the statements contained in the Collector's letter.

(True Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Chief Secretary to Government.

ORDER—No. 141, Political, dated 25th February 1898.

With reference to paragraph 10 of its proceedings, No. 12 (Confdl. No. 5), dated 8th January 1897, and paragraph 8 of its proceedings, No. 3358 (Confdl. No. 119), dated 8th September 1897, the Board of Revenue will be informed that the Government accepts its recommendation to remit the claim (Rs. 2,041-13-6) for interest on temporary loans. As regards the interest on the surpluses of the island administration, the Board will be requested to submit revised statements of the accounts up to the end of fasli 1306, crediting Sultan Musa Ali Raja with such interest and debiting him with interest on the mainland arrears. The Board

of Revenue will also report whether it considers that such a procedure would be fairer to the Raja than omitting from the accounts his claim to the interest on island surpluses and that of Government to the interest on the mainland arrears, and will forward a comparative statement showing the result of each method. Pending the settlement of this question the Board will defer taking action for the collection of the mainland arrears.

2. The Government of India will meanwhile be addressed.

(True Extract.)

For Chief Secretary.

To the Board of Revenue (Land Revenue),
with copy of letter.

Copy to the Revenue Department, with copy of letter
and of G.O., No. 301, Political, dated 4th May 1897.

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