Revenue (1898) Department.

CURRENT No. 3326

Read also Cur. 3222.

From Mr. R.R.
T. Ranga Row Garu
Dy Collector
Cuddapah.

Order this.

Ordered that the
proofs be forwarded to
the Secretary, Indian Famine
Commission.

No.

Dated 2 May
Received 5 "
Registered 5 "
Enclosures 1 (26 pps).
Spare copies.

Letter
To the Secretary, I. F. Commn.
Sir,

In continuation
of my letter dated 27-4-98
No. 1832, I am directed to
forward the revised proofs
of the notes of evidence given
by Messrs R. R. Arogiaswami
Mudr and T Ranga Rao.

SUBJECT.

Returning the proofs of the
Famine evidence.

× Now complete the 1st Set of
proofs received from the
Commn.

ns
6-5-98

Encl. "

BACK PAPERS.

G.O.	No.	Department.	Date

FURTHER PAPERS.

G.O.	No.	Department.	Date.

O/9. 3,000—5-8-08.

Revenue (1898) Department.

MISCELLANEOUS SERIES.

G.O., No. 2031

DATED 9th May 1898.

[Despatch Abstract.]

Stating that the Collr of Vizagapatam should be called upon to submit some additional information as to the terms of the contract entered into with the Contractor for the supply of yarn to Weavers' depots.

BACK PAPERS.

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

FURTHER PAPERS.

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

Revenue (1898) Department.

This put on file docket 4

CURRENT No.

From The Board of Revenue Revenue Settlement, Land Records and Agriculture, Madras

No. 2699 his

Dated 20th April 1898

Received 23 "

Registered 23 "

Enclosures

Spare copies

SUBJECT.

Submitting to Government, with remarks, letter from the Collector of Vizagapatam reporting the terms of the contract entered into with the contractor for the supply of yarn to the weavers depots in the District and the amount due from him for the quantity of yarn returned as unused

C 4/5/98

For Orders

It is not clear whether the excess was due to the contractor's having in a larger quantity than usual; if so he risk and loss would be his; if not he would be entitled, at least to the actual loss (Rs 456 in 1898) sustained by him on resale

the Board thinks he is entitled to the difference between the contract and the market rates

RS
28-4-98

Sir

I have juggled over this matter for some time but cannot make out what exactly the arrangement was & what the grounds on which the Collector recommends that the contractor be let off Rs 456 odd.

The Collector talks of selling

BACK PAPERS.

G.O.	No.	Department.	Date.
[illegible]	[illegible]	Rev.	[illegible]

By what sum was due, & cannot
and Sum paid

FURTHER PAPERS

G.O.	No.	Department.	Date.
[illegible]	due ?		

Application by the Contractor for the unused yarn as a favour.

a sum due to the Contractor against the value of the yarn returned. This implies that the yarn was paid for. But if the yarn was paid for how came a sum to be due to the Contractor?

In any case, it is not at all clear why Govt should make good to the Contractor the difference between the contract price (which includes contractors profit) & the selling price with respect to the yarn returned.

Was an undertaking of the contractor that if the price of yarn had risen would his contract have made good the difference to Govt?

The contractor was bound acting to al his own risk in Carrying in a large stock of yarn & he must have known that his cessation of his own demand would probably cause a fale in the market price. Any loss sustained by his contractor on acc of the yarn returned must be considered along with his profit

The contract ought to have been in writing.

The Govt must express what is required to be supplied, whether all yarn delivered must be used exactly as received & supplied at each depot, or has yarn actually consumed?

The Govt must express exactly what is to be supplied. This should be calculated. This attention is not also to be called to the figure at the end of his report and he R728.3.3 not 128.3.8

Bal: as contract value R284-4-11
Loss 456.1.6
728-3-5

5/5/98

1899.

The contract was not drawn up in writing, as it is important a matter, it ought have been, and the terms of the oral contract (which not being reduced to writing will always be disputable) are by no means precise. But term (3) places the risk of loss in case of any undue (& I suppose unused) supply on the contractor. If this means that the Govt paid only for what was used, then there is no legal liability on Govt to make good any loss: the contractor will regulate the supply carefully & make his profit out of the price he charged on what was actually consumed.

But the contract may have been that Govt paid for all that was delivered & the contractor when the Govt asked him to take back the unconsumed yarn

the contractor did so as a favour, but on business terms i.e. at the prevailing price on the date he took back the stuff.

Seeing that the contractor was bound to regulate his supply by a week's requirement so as to minimise his risk of loss, it seems more probable that the contract bare the former of the two constructions given above. If so Govt. will repudiate liability.

On the second construction the contractor will be indemnified as proposed by the Board. It would probably be difficult to prove that there was not the contract.

S.R. 4/576

O
18 4,000—19-7-97.

Revenue (1898) Department.

CURRENT No. 30681

From The Board of Revenue
Rev. Settlement, Land Rents and Agriculture
Madras

Order

No. 2699 mis.

Dated 20th April, 1898
Received 23rd
Registered 23rd
Enclosures
Spare copies.

SUBJECT.

Submitting to Govt., with remarks, letter from the Collector of Vizagapatam reporting the terms of the contract entered into with the contractor for the supply of yarn to the weavers' depots in the district and the amount due from him for the quantity of yarn returned as unused.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

(Sett. 22—2,000—11-8-97.)

REVENUE BOARD OFFICE. MADRAS.

Proceedings of the Board of Revenue

(Revenue Settlement, Land Records and Agriculture),

Dated 20th April 1898.

No. 2699 mis

READ The following letter from the Collector of Vizagapatam

Reference on Circuit No 494 dated 3rd April 1898:-

In reply to Board's Proceedings No 1869 Miscellaneous, Revenue Settlements, and dated 14th March 1898. I have the honor to report that no written contract was entered into with the Contractor for the supply of yarn to the Weavers' Depots in this District; the terms of the oral contract entered into with him are.

Forwarded to the Collector, G.O. No. 534 R. 29-3-98.

(1) That the contractor should supply yarn to the three Depots in the District at the rates specified in my letter to the Revenue Secretary No. R.C. 3975 dated 14th February 1898

(2) That the supply should be in reasonable quantities and should not fall below nor exceed one week's requirements at

each depot,

(3) that it would be at his own risk and loss if he laid in a large supply of yarn, as the depots might be closed at any time without notice.

The Contractor who afterwards agreed to take back the balance of yarn remaining unused at the depots after their closure, took it back but claimed the difference between the then Market rate and the Contract price as shown in my previous letter to the Board

The actual price of the quantity of yarn returned as unused at Contract rates is Rupees 4076–8–11. From this amount a sum of Rupees 2,892–4–0, being the cost of yarn supplied and consumed at the depots, had to be paid to the Contractor; that being deducted Rupees 1184–4–11, the balance still due by the contractor, was ordered to be collected from him. But he paid Rupees 600 and claimed the rest 584–4–11 as loss sustained by him. I found however, on enquiry that the real loss sustained by him was Rupees 456–1–8 and accordingly recommended that the amount might be sanctioned

If my recommendation is approved only Rupees 128–3–3 remains to be collected from the Contractor

Resolution.

Submitted to Government, with reference to his order No 534 Revenue, dated 9th March 1898. The Collector has not reported the actual price paid by the Contractor for the quantity of yarn returned to him, as unused; but the Board apprehends that the Contractor's statement, which there would be no means of verifying, would be practically valueless.

2. The concluding para of the Collector's letter is not very clear, but the Board understands that at the time when the unused yarn was returned to the contractor there was a running account showing a sum of Rupees 2,892–4–0 due to the Contractor by the Government. Hence the sum was set off against the value of the yarn returned

3. The difference between the Contract rate, and the market rate at the time when

when the yarn was returned appears to be fairly due to the Contractor; as also does the compensation of 4 Annas a bundle in respect of the bundles having been opened for examination.

(True copy and Extract)

P. D. Lakshmidasam
Secretary

To

The secretary to Government, Revenue department

The Collector of Vizagapatam

Extd 25/4/98

B.P. 2699 (Cus. 3056)
20-4-98

G.O. Mis. No. 2031 dt/ 9th May 1898.

The Collector should be called upon to report whether in the oral agreement entered into with the Contractor, it was stipulated that the latter should be paid for all yarn delivered not exceeding a week's supply at each depot or only for the yarn actually consumed. In the former case it should also report whether the amount of yarn returned here, must often be more than a week's supply at the depots taken together. The Govt. considers that, in so important a matter, the contract should have been reduced to writing.

RS
7-5-98

9.5.98 11/5/98

To the Board of Rev (Rev Settt).

Weeks 11/5/98

9/5

for approval.

When given for copying ——
When copied ——
When examined —— } 189 .
When signed ——

READ AGAIN G.O., No. DATED
189 ,

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT	..	..	..	A	A	A	A	A	A	A
LETTER OF GOVERNMENT.										
STATEMENT WITH DITTO.										
PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.										

N.B.—
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