M.R.O. 1—27,000—8-6-37.

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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 611 Press Mis.

Dated 2-3 11 1871.

67-68 613

Not to be folded or roughly handled

Extract from the Proceedings of the Local Fund Board Masulipatam Circle dated 26th Sept. 1871

x x x

1 Read G. O. dated 7th August 1871 No 313 passing orders on a suggestion of the Board of Revenue that the cost of salt roads should be in addition to the grant in aid made from Provincial Funds to each Local Circle.

Resolved that in the opinion of the Local Fund Board the salt roads might to be put in thorough repair as they are in several Districts before the cost of maintaining such roads is laid upon Local Funds. The Commissioners observe that no grant has in the current year been made from Provincial Funds except towards cost of establishment & they are not yet informed what amount of grant they may look for in the next year. They observe that the estimate for salt roads in the Circle now before the Board amount to Rs 60,000. The Board therefore resolve that no provision be made for Salt Roads in the Budget for 1872-73.

x x x

True Extract"

L Brandt

Collector

Statement showing the provision on account of Petty Construction a[illegible]epairs, the expenditure on Salt roads and the Salt revenue.

Districts.	Petty Construction and Repairs, amount of provision for 1871-72.	Petty Construction and Repairs, average provision of last three years, viz., from 1868-69 to 1870-71.	Expenditure on S[illegible] roads as given in the Collectors' R[illegible]ts on Salt roads.			Revenue and Expenditure of 1870-71.		
			1868-69.	18[illegible]0.	1870-71.	Receipts.	Charges.	Net Revenue.
1	2	3	4		6	7	8	9
	Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Ganjam	8,063	15,683	The expenditure no[illegible]en in the report.			15,49,861	1,03,022	14,46,839
Vizagapatam	18,818	30,046	2,117	[illegible]0	3,791	3,57,075	38,509	3,18,566
Godavery	12,444	5,733	No improvement of [illegible] sort were made.			5,32,890	32,967	4,99,923
Kistna	7,620	11,890	5,045	[illegible]6	2,202	14,09,977	46,033	13,63,944
Nellore	8,808	8,072	8,252	..	3,415	11,41,223	60,989	10,80,234
Chingleput	58,378	51,636	18,246	[illegible]8	10,372	27,48,916	3,05,261	24,43,655
South Arcot	5,483	6,438	The expenditure not [illegible]en in the report.			6,07,994	75,451	5,32,543
Tanjore	10,655	11,075	31,131	4[illegible]9	17,554	12,12,748	93,743	11,19,005
Madura	5,070	9,656	94,498	4[illegible]4	.....	6,17,624	34,687	5,82,937
Tinnevelly	14,880	3,271	Expenditure not given.	[illegible]5	.....	8,68,404	46,322	8,22,082
South Canara	18,272	16,873	The expenditure no[illegible]en in the report.			5,32,770	1,25,554	4,07,216
Malabar	1,500	2,267	Expenditure not given.	[illegible]7	4,740	10,50,557	2,71,115	7,79,442
Total...	1,70,000	1,72,640	.....	..	.....	126,30,039	12,33,653	113,96,386

No. 4,446.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 20th October 1871.

Read again Proceedings of Government, Financial Department, dated 7th August 1871, No. 313.
Do. do. do. Revenue Department, dated 17th August 1871, No. 1,373.

Read also the following letters:—

From J. A. C. BOSWELL, Esq., Collector of the Kistna District, to the Secretary to the Board of Revenue, dated Masulipatam, 16th September 1871, No. 2,896.

WITH reference to Government Order, dated 7th August 1871, No. 313, I have the honour to annex an extract from the Proceedings of the Local Fund Board, Masulipatam Circle, who have declined to make any provision for Salt roads in their Budget, under the circumstances stated by them. The Local Funds which used to be more than adequate in former years, are now barely sufficient to meet all the charges proposed. For the Masulipatam Circle, the estimated receipts for Road Fund for 1871-72 and 1872-73 amount to Rupees 97,540 and 93,000 respectively, whereas the charges for the salt roads alone amount to Rupees 52,225.

2. In the Masulipatam circle, so few roads have yet been made, and so many are in demand, that it is with the utmost difficulty any provision can be made for the Provincial roads, and we look to special grants to provide the means of keeping up the old Imperial roads.

3. The salt roads in this Circle are of little or no benefit to local traffic. For instance there is absolutely no traffic of any kind whatever between Masulipatam and Mangenapudy, yet this road is most important to the Salt Department.

4. As I am afraid that the salt roads will fail of securing a proper provision under the present circumstance when the Local Fund Board and Government do not agree as to the source from which the charges connected with them should be met, I beg to suggest, that the point be definitively settled and provision for the salt roads be made in the Provincial Budget. There is much truth in the observation of the Local Fund Board that the state of salt roads in most other districts are such as to entail no expenditure but what may be necessary to keep them in good order, but this cannot be said of the salt roads of this district which is so much behindhand in the matter of communications.

ENCLOSURE No. 1.—Extract from Proceedings of Local Fund Board, Masulipatam Circle.

From J. A. C. BOSWELL, Esq., President of the Local Funds Board, Masulipatam Circle, Kistna District, to the Secretary to the Board of Revenue, dated 22nd September 1871, No. 26.

WITH reference to Board's Proceedings, dated 14th August 1871, No. 3,428, suggesting the desirability of the Local Fund Board of this Circle providing funds in their Budget for the Salt roads, I have the honour to subjoin an extract, from their resolution, from which the Board will observe that they repeat their unwillingness to provide funds for the salt works.

"Resolved that the Local Fund Board respectfully adhere to their former resolution, in which they agreed to exclude salt roads from the Budget for 1871-72 and 1872-73.

1st.—Because those roads in the circle are not necessary for general traffic.

2nd.—Because these roads are not yet made as they are in most other districts; and the Board think that they should be at least constructed entirely from Provincial Funds, even if their maintenance be afterwards transferred to Local Funds with grants from Provincial Funds."

2. The necessity for the early completion of the several salt roads being fully recognised by the Board, in their Proceedings under reply, it only remains for me as Collector to request that these roads may not be omitted in the Provincial Budget for 1872-73, or special grants might be made to Local Funds to enable them to carry out these works.

The Superintending Engineer, in his letter, dated 24th August 1871, No. 119, submitted separately, with my No. 2,897, dated 16th September 1871, states that he has provided for the marginally noted works in his Budget, though he was precluded from doing so by virtue of the estimates not having been sanc-

1. Masulipatam to Mangenapudy.
2. Mangenapudy to Pedana.

tioned. The importance of these works cannot be overrated and it would be a pity to remove the items from the Budget on technical grounds, and I would strongly recommend that funds be provided for them, as the Superintending Engineer has furnished plans and estimates.

3. The Superintending Engineer states he has provided Rupees 10,000 for each of the roads from Inkole to Chinaganjam and from Chinaganjam to Motupulli; but he says he has made no provision whatever for the Nizampatam wharf and the bridge. No provision has been made in the Budget of Salt Petty Construction and Repairs submitted by me under the impression that they would be provided for in the Imperial Budget. If they are not properly budgetted, the Department Public Works may say late in the year that they will be unable to undertake any works for which no provision may be secured in the Budget.

The Board will observe from their Proceedings under reply, that there are several other very important works for which no provision whatever appears to have been proposed in the Department Public Works Budget.

Proceedings of the Madras Government, dated 20th September 1871, No. 95, Revenue Department :—

ABSTRACT.—Recording Board's Proceedings submitting with remarks report of Collector of Kistna District on salt roads and salt stations of District for 1870-71.

THE Board venture again to ask the Government to take into consideration the subject treated of in the above Proceedings, viz., provision of funds for communications connected with the Salt revenue.

2. The importance of this subject is no doubt fully recognized by Government, but the Board are unwilling to let pass the opportunity for making certain suggestions which appear to be called for, and requesting more explicit indications of what provision may be relied on for salt communications lest they be taken to acquiesce in the sufficiency of the provisions now made under the rules for the distribution of Provincial and Local Service Grants.

3. That the Provincial grants have been apportioned, as far as the amounts permit, with reference to the requirements of each district, and to the amounts formerly assigned towards Imperial communications inclusive of salt roads, the Board cannot doubt, but the distribution of these allotments being now vested in the Local Fund Board there is no guarantee that those Boards may not consider that their interests require a distribution which they may consider perfectly legitimate, but which will prove very detrimental to the salt revenue. From the letters from the Collector of the Kistna District and the President of the Masulipatam Circle above recorded, Government will perceive that in the Kistna District, (one of the largest and most important salt-producing districts,) in which salt communications have been much stinted, and in which most of the land communications are necessarily expensive and difficult of construction, the Local Fund Board have altogether declined to make provision for roads in their Budget on the grounds that these roads are unnecessary for general traffic; and the Board must express their opinion that these roads, and others perhaps in other districts may fairly be said to be of no value except as salt communications. The Board also draw the attention of Government to the fact that no provision whatever has been made from Provincial Funds for communications of any sort in the Kistna District, for the current and have also (in Government Order, dated 20th September 1871, No. 470, Financial Department,) intimated that the provision made for grants and charges from Provincial Funds for the Public Works Department may be assumed as a basis for the Local Fund Budget for 1872-73 also.

4. It is true the Board of Revenue may be enabled to exercise some control over the distribution in such cases as these, by revising the Budget, but if this power be exercised to the extent which the Board may consider to be necessary, the resolutions of the Local Fund Boards may be nullified to an extent which the Government may not have contemplated and which would go far to render their resolutions superfluous.

5. The provision for Petty Construction and Repairs has been reduced to the lowest amount, and is fully utilized in works immediately pertaining to the salt depôts and cannot be regarded as provision for salt communications generally.

6. The direct dependence of the salt revenue on the communications leading from the stores on the coast to the inland markets is obvious: consumption has risen almost every where in a direct ratio to the opening and maintenance of roads and communications to the interior. Noticeably this has been so in the Ganjam, Vizagapatam and Kistna Districts, in the latter chiefly owing to water carriage. But the importance of these works as directly conducing to the Imperial revenues can best be appreciated by those who have served as Collectors in largely producing Salt Districts, and on this point the Board as at present constituted can speak with authority.

7. The importance of perfecting and maintaining these roads becomes the more important now that Nagpore is becoming a depôt for the salt produce of the Bombay Presidency. In selecting this source of supply the carriers who supply the Nizam's Dominions, and the Central Provinces will be guided by the greater or less facilities of access to the stores of either Presidency, and though it may be argued that the general revenues will not be affected whether the salt be taken from the one or the other the inland trade of this Presidency would suffer by the withdrawal of carriers who bring from the Central Provinces wheat, and various other grains, cotton, and other goods.

8. Another, and not less important reason for making certain and reliable provision for these roads is the obligation devolving on Government under the monopoly system to afford the greatest facilities for the distribution of salt, a subject noticed in recent Proceedings of the Board in reference to the Ceded Districts.

9. Looking to the responsibility of the State in this matter, to the direct returns which may be relied on, and to the very small percentage which the outlay on salt works bears to the revenue, the Board are of opinion that a percentage of that revenue should be devoted, (beyond and above the sum allotted under Provincial grants,) to communications which are specially planned to facilitate the transit of salt from the pans to the interior, and constructed in the interest of the salt revenue rather than for general traffic.

10. Should the Government support this recommendation the Board will be prepared to submit a more definite proposal which would at present be premature.

11. But in any case they deprecate the expectation that the sum provided for Petty Construction and Repairs can suffice for anything more than the purposes specified in paragraph 5, and unless there is to be some practical way of ensuring that in the distribution of funds, intended in great measure for providing for the requirements of the salt revenue, the latter shall not be neglected, the Board would go so far as to recommend a separate assignment to Petty Construction and Repairs for lesser works, and in the Provincial Budget for larger works for expenditure on salt roads only.

12. A Statement is appended showing the average amount expended on Salt Petty Construction and Repairs in all districts (1) during the last three years, (2) the provision for the same purposes for A. D. 1871-72 ; the expenditure on salt roads (as given in the Collectors' reports) during the same three years, and the salt revenue and expenditure during the year 1870-71, is also shown.

(True Copies and Extract.)

F Brandt

Acting Sub-Secretary.

To the Secretary to Government, Revenue Department, with one enclosure.

Copy to the Collector of the Kistna District,
with copy of Government Order, dated 20th September 1871, No. 95,
,, to the Collector of Nellore.

Exd. G. A. Turton.

Fin. C. 1871, Sept. 6
No. 3564.

Revenue 1871. Separate

Board of Revenue,

MADRAS.

PROCEEDINGS, 20TH OCTOBER 1871, No. 4,446.

Dup. 30 Oct. 1871

Received. 5th Encl. 2

No. 806

OCTOBER.

No. 4,446.

Provision of funds for salt communications,—Government requested to re consider question of, and recommended to sanction a percentage of salt revenue for expenditure on such works over and above sum allotted under Provincial grants.

Board of Revenue. Madras. Sept. 1872.

Govt. of Madras.

Financial

to the Board of Revenue.

&c.

Dated Oct. 2nd

Rect. 6 Dec.

G. O. 2nd Nov. 1871. No. 694.

Nos. 67. 68.

Declining to [redacted] the recommendation of the B^d. of Rev. to restore the local funds of the Cash of Salt roads and promising to consider the special circumstances of the Kistna Dt. & the large expenditure req^d. on Salt roads in assigning the grant from Provincial funds for 1872-73.