M.R.O. 14—10,000—21-4-22

MADRAS RECORD OFFICE.

Government of Madras.

DEPARTMENT.

G.O. No. 156 — Press / Mis.

309-310-

Dated 31- . 1 — 1862.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
31st January 1862.

No. 309. Read the following Proceedings of the Board of Revenue, dated 6th January 1862, No. 54 :—

Read the following letter from P. GRANT, Esq., Collector of Malabar, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, Chepauk, dated Calicut, 14th December 1861, No. 270.

SIR,

1. I beg to place the Board in possession of certain information regarding the present state of the Salt sales from the Ponani Gollah, which usually supplies all demands for this necessary of life at Palghat, and all along the Cochin land frontier; a distance which may be roughly estimated at 150 miles.

2. In April, the price of the Government Salt was raised from Rupees 1-4-0 to Rupees 1-8-0 per Indian maund, the rate which now obtains in the British Territories; whereas in the adjoining Cochin State, the rate for the same quantity is Annas 13-9, showing a sum of Annas 10-3 in favor of the purchaser in the Native State.

3. This state of things is producing its natural fruits exhibiting a great decrease in the sales at the Ponani Gollah, for it is not to be expected that any one within reasonable distance of the frontier, will pay a heavy price to our Government for Salt, when it is to be had for little more than half the sum, by going a short distance to fetch it, and without incurring the least responsibility.

4. From April to November 1861, the period which has elapsed since the price of Salt was raised, the Salt sold at Ponani is Indian maunds 1,06,607; whereas, in the corresponding period, in the previous year Indian maunds 1,30,489 were sold, showing a decrease of Indian maunds 23,882.

5. It is almost impossible to restrict the purchase of Salt by our people within the limits of Cochin, so long as this vast difference in the prices exists.

6. I simply place the matter before the Board, as they may think it worth while to advise Government to lower our prices at the Ponani Gollah until the rail is open, when the facilities of transport will perhaps enable the Inland Merchants in the British territories, to sell at much lower rates than they now do, and thereby compete with the Cochin Merchants.

7. The Salt question is one which should be settled with others if the Supreme Government resolve to throw open the port-to-port trade between the British Indian ports, and those of Cochin and Travancore.

8. It may be well to remark, that the Ponani Tahsíldár, whose Táluq runs for 40 miles along the Cochin frontier, had formerly seventy-eight Revenue Peons whose services were available to check the purchase of Cochin Salt; but that since the amalgamation of the Betutnad, Kutnad and Choughat Táluqs into the present Ponani Táluq, their number has been reduced to twenty-one, so that they are not able to render any assistance in checking illicit sales of Salt, as they are insufficient for the existing Revenue duties, not to take into account the Income Tax and License Act work.

9. Government, in Proceedings 10th August 1861, sanctioned the entertainment of an Establishment, costing Rupees 173 per month, for four and a half months, for the purpose of repressing the illicit manufacture and sale of earth Salt, but this duty is distinct from the other, and the services of the Establishment cannot be diverted from it.

10. The sales from the Ponani Gollah are likely to go on decreasing unless some efficient remedy is applied. Our Government must either lower its monopoly rates, or the Cochin Circar must be prevailed on to raise theirs, and this latter we cannot expect them to adopt until the custom duties and Tariffs have been assimilated with ours, and the Indian port-to-port trade thrown open.

Proceedings of the Madras Government, Revenue Department,
31st January 1862.

1. Ordered to be submitted for the consideration and orders of Government.

2. The only alternatives open for adoption appear to be the re-establishment of the frontier guards and organization of an efficient preventive force, or the reduction of the selling price of Salt at Ponani, to such extent as may enable it to compete on an equality with the Cochin Circar Salt.

3. The financial result will depend on the expense of the one course as compared with the loss involved in the other; but in a moral point of view the latter course is decidedly the the preferable one, and we should have the people with us, instead of interested in evading our cordon of frontier guards.

4. Salt and opium being specially excepted from the port-to-port trade Act, the extension of this Act to the Travancore and Cochin States will require that the import duty on Salt be placed on an equality with that levied at our own ports.

5. As the Board are under the impression that the Salt sold by the Cochin Circar though intermixed with the inferior Salt of local manufacture is chiefly procured from the Bombay places of manufacture when the excise duty is, it is persumed, charged on removal from the Kotars; they are at a loss to understand how the Circar can afford to sell at Annas 13-9 per Indian maund when the Government price is Rupees 1-8. The Collector will furnish further information on this point.

(A true Copy and Extract.)
(Signed) W. HUDLESTON, *Secretary.*

No. 310. ORDER THEREON, 31st January 1862, No. 156.

The Government will await the further information called for from the Collector in the last paragraph of these Proceedings. The Board will request Mr. Grant to state what preventive Establishment he would require supposing that alternative to be adopted.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

Rec'd 18 Feb/62 per Post

Pro: of Govt for Savy:

No 50

Proceedings of the Board of Revenue

Dated 6th
Recd 7th } January 1862
Read 8th

No 54

Submitting for consideration & orders of Govt a letter from the Collector of Moulmein regarding the present state of salt sales from Ponani & Calicut

From Bd of Rev 11th March/62
Encl 757 - 28 March/62

No 156 - To Govt Savy

With an Order

No 156.

The Government will await the further information called for from the Collector in the last para of these Proceedings - The Board will request to state what preventive Establishment he would require supposing that Alternative to be adopted -

From Govt
31st Jan 1862
Rec'd
to Board of Rev: Cust: 3rd Cl

J & L

Rec'd of 3rd Dept 61 No 1
to 10 Inclt - - - 152-153

Nos 309 & 310.