M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1039 Press / Mis.

267-268

Dated 27—6—1860.

Not to be folded or roughly handled

No. 267. Read the following letter from P. GRANT, Esq., Collector of Malabar, to J. D. BOURDILLON, Esq., Secretary to Government, Fort Saint George, dated Calicut, 14th May 1860, No. 36 :—

In reply to your demi-official, I beg to transmit the accompanying Memorandum on the subject of Salt manufacture in this District.

Memorandum by P. GRANT, Esq., Collector of Malabar, dated Calicut, 14th May 1860.

1. The average sales of Salt in this Province amount to 3,467 garce per annum, realizing Rupees 4,46,723.

2. The Salt stored up to the present date since the ports opened, amounts only to garce 3,074, and this has been procured with difficulty, although our purchase prices were so much raised that the cost per garce comes to Rupees 59-9-0, a rate never hitherto attained.

Average price per garce paid in

Fasli.	Amount of Salt purchased.	Rate.		
	Garce. I. Mds.	R.	A.	P.
1264	3,226.....59	30	10	0
1265	3,305.....73	30	4	5
1266	2,679.....117	28	12	2
1267	4,358.....23	41	4	1
1268	1,135 92	50	1	0
1269	3,073.....75	59	9	0

3. All parties bringing Salt from Bombay are allowed 10 per cent. on account of wastage; for any excess above this, they are charged at Bombay, the port of export, unless they can render satisfactory reasons for it.

4. On the* imports of Salt this season, the actual deliveries, on being compared with the certificates, exhibit the very large deficiency of 174½ garce, or 4¼ to 18½ per cent., as shown in the margin.

* *Salt imported in Fasli* 1269 *A. D.* 1859-60.

Particulars.	No. of vessel.	Quantity shipped.	Qunatity imported.	Excess.	Deficiency	Centage.
		I. Mds.	I. Mds.	I. Mds.	I. Mds.	I. Mds.
Excess over amount shipped.	20	51,450	52,385	935	.....	1¾
Wastage below 10 per cent.....	134	2,85,413	2,73,246	...	 12,167	4¼
Ditto above do.....	30	52,931	43,214	...	9,717	18½

5. The general causes assigned for the short deliveries, are losses by upsetting of Boats and wet from rain.

6. My belief is, that 5 per cent. on each cargo would cover all the wastage, for, it has been remarked more then once, that when the owner of a vessel imports on his own account, the wastage is very small, in fact nominal, and not unfrequently the out-turn shows an excess over the amount exported, but that when merchants import, and trust to the honesty of the Master of the vessel, there is considerable loss.

7. My conviction is, that the Salt entered as wastage is sold along the Coast to the fishermen when out in their Boats. Salt at Bombay is purchased by measurement. It is notorious that Salt so procured, is always in favor of the purchaser, especially if he sells by weight as is the case with us, and ought to be in all Salt transactions. The crew of the vessels bringing Salt calculate the excess which the purchase by weight will exhibit, and this excess, plus the amount of wastage which they think will be admitted, they sell on their account.

8. The settlement on account of wastage is made at Bombay, the port of export, where we forward a Memorandum, exhibiting its amount and the causes assigned for the same.

9. During the past season, a considerable seizure of Bombay smuggled Salt was made, and the parties committed to Court and punished, but with about 200 miles of sea—board, a large fishing population along its whole extent, their Boats out day and night, and landing at all hours, it becomes practically impossible to repress the illicit trade to any great extent. Suppose we deduct 5 per cent. from the amount of wastage as bonâ fide loss to the importers by the 30 vessels

containing 52,931 Indian maunds above shown, we still have 10,080 Indian maunds, which we must class under the head "smuggled." Cochin, I have before noticed, with a population of only 200,000* has a Salt trade of 4,359 garce, whereas Malabar, with a population of 16,01[illegible] and an inland Salt trade, sells only 3,467 garce. Of course, the excess sales in Cochin can only be accounted for on the supposition that the Salt finds its way into our territories.

* *According to a census taken in*	1819.	
Average sales of 5 years for		
Home consumption..... garce.	2,181	
Inland do ..... do.	1,286	
Total garce...	3,467	

10. What the amount of indigenous Salt manufactured is, I cannot say, but I believe it to be considerable.

11. This season, just closed, has exhibited the greatest rise in the price of Salt ever experienced, the fact is, that Travancore, Cochin, Malabar, North and South Canara have been competing against each other in the market, and our transactions have been much complicated by the failure of the supply of the article in Bombay, for a time it was not to be procured, and the manufacture of the new Salt was retarded by the unusually high spring tides.

Wastage.
Cochin smuggled.
Indigenous smuggled and *Competition prices.*

12. From what I have said, it is apparent that under the heads marginally noted, the loss to Government must be very considerable.

13. The only real remedy, I conceive, is to have recourse to the manufacture of Salt in the Province. I believe it is a settled point that we cannot make Salt, possessing qualities equal to the Bombay or East Coast article, but I believe that we can manufacture an article of very good quality, and which would command an extensive sale. The only thing is, that it takes about 1½ maund of our Salt to go as far as one maund of Bombay do, and that therefore, the duty on our Salt must be lighter than that on the latter. This is the real point for consideration. Will Government allow a differential duty.

14. I certainly should be glad to see our manufacture in force. The gain to the Government and to the people, would be considerable, and smuggling would receive a severe blow in the only way in which it can be efficiently dealt.

3,45,000 *Indian maunds or* 2,880 *garce.*

15. In 1858, I made enquiries into the subject, and the marginal statement shows the approximate amount of Salt it was estimated could be manufactured.

16. I consider the estimate rather high. Subsequent enquiries have led me to modify my former views, but still, I think that with care, a large indigenous Salt trade would spring up. Suppose Government were to order the experiment next season, it might be done in two or three places at a small expense, the Collector being empowered to enlarge the Establishment as the manufacture increased. It would be easy to keep Government aware of whatever was going on, and the success or otherwise that attended the experiments.

I send four Specimens of Salt, viz.:—

1. Bombay Salt.
2. Indigenous Salt in its natural state.
3. Ditto. cleansed.
4. Cochin Indigenous Salt.

17. It may be thought worth while to have these analyzed chemically. One objection to indigenous Salt was that it would not stand Bullock Transit well, this does not now hold good as the article can, by the time the manufacture has come into play, be transported by Rail. From several of the places of manufacture, water carriage to the Railway Station will be available.

No. 268. ORDER THEREON, 23rd June 1860, No. 1,079.

1. This letter ought to have been submitted through the Board of Revenue, and it will now be referred to them for their Report.

2. The specimens of Salt have been sent to the Chemical Examiner for analysis, and the Report when received will be forwarded to the Board for their information.

(Signed) J. D. BOURDILLON,
Secretary to Government.

M Memoar Rec. No. 1050

The Collector of Malabar submits a memoar the subject of making another attempt to manufacture salt in that District, in which he is sanguine of success.

2. Such an attempt was made in 1857 and 1858, but it failed. I circulate the papers connected with that attempt, and a Precis of their contents.

3. It is quite certain that salt can be made in Malabar it was so made to a considerable extent prior to 1821, and it is made still in Cochin, where the climate cannot be supposed to be more favorable. It is equally certain, however that

that if Bombay salt and Malabar salt are offered at the same price, not a grain of the latter will be purchased. This was fully proved in 1821: the monopoly salt (Bombay) was then 70 Rupees a garce, and the quantities of Malabar salt having been put up to auction at two different times, the highest bid obtained on each occasion was only 50 Rupees a garce; and the Collector thought that if there had been a larger quantity it would not have bought so much. The same Collector states

also that when the monopoly price of Bombay salt was 112 Rupees, and that of Malabar salt 70 Rupees, little or none of the latter was purchased "voluntarily", I.E. I presume, when any Bombay salt was to be had.

4 It is to meet this state of things that the Collector now proposes as a necessary condition of reviving the manufacture, that the salt should be sold at a lower price than the Bombay salt. He supports this recommendation by the statement that Malabar salt is greatly inferior in saline properties to that of Bombay. This seems of doubtful credibility, as both articles are obtained by nearly identical processes from the same raw material, viz sea-water;

I have however sent samples of all the kinds to the Chemical Examiner, and requested his report on this point. I circulate small quantities of salt for inspection.

5. Mr. Grant's proposal that a difference should be made in favor of Malabar salt is not new. A similar proposal was made in 1824, when it was proposed that the price of Malabar salt should be only half that of Bombay salt; but this proposal was rejected by Government on the ground that it would be to give a premium on the use of the homemade article. Mr. Grant does not say what difference of price he would think necessary and sufficient.

(Appendix page 5 page 15)

6. It was ordered in 1836 that the price of Bombay salt in Malabar should be its cost added to the duty, & the price of Malabar salt was in like manner to be its actual cost added to the duty, as seen in the Prices, however, no salt was obtained.

7. The cost of Bombay salt this year has been so high in Malabar as to constitute a considerable difference in favor of the Malabar salt, if there were any. From the table given in the margin of Para 3 of the Collectors Memo: it is seen that the contract price was 60 Rupees a garce, and the actual cost was 5 per cent more, making 63 Rs. This amounts to about three 8-4-a Maund, and postage in store, Establishments &c charges &c being added, the actual cost of the Bombay salt was probably little less 10 annas a maund. This added to the duty of one Rupee would make the proper monopoly selling price, R. a. 1-10. On the other hand the cost of Malabar salt would not be more than 2 annas a maund, and the selling price being thus 1-2 there would be

* See statement in Margin of Para 4.

be a difference of 20 per cent...
in its favour.....

8..... If it were likely
that the cost of Bombay salt
in Malabar would continue
as high as it has been this
year, the selling price must
be raised, and it would
then be necessary to provide
a cheaper article for those
who might prefer to use it.
But it does not seem likely
that the price will remain
so high, and the normal
cost, being only about one Rupee and
or six annas a maund, would
not allow a sufficient dif-
ference, it would probably
be necessary therefore, in
order to make Malabar pali-
catable, to lower the duty
on

on it, or in other words, to fix
the selling price at less than
the cost plus the duty.
Will the Government agree
to this? It could not be
done without permission
from the Government of India.
9..... Mr. Brunton's remarks
on the subject of wastage —
Peradventure they are apparently
just, it might probably
be well to reduce the sti-
pulated rate of wastage
to 5 per cent. I see no reason
indeed why any wastage
should be allowed at all.
The best and fairest way
I think would be to pay
for the quantity actually
delivered. Contractors would
make their tenders accordingly,
allowing

allowing for what they really
expected to lose by waste.

10 ..... If the whole of the
salt in the Storehouse in the
Margin of Para be now shipped
in the same manner, it
seems pretty clear that there
was extensive fraud in some
of the vessels.

11 ..... Mr Brand's Report
might to have been sent to
that Board and not direct
to Government.

We could not permit Salts to be sold
for less than the cost price plus the duties
paid in the Province
Salt — Fee — Port fees
Collector Provedor Co. Scale
to the R. B. now for hire Secretary
Tide
Site

Via 6 June 850

Item respecting the attempt to revive the manufacture of salt in Malabar

When, in 1856, the Govt. determined to withdraw from the trade in Bombay salt on the western coast, they considered it necessary and proper to take steps for giving the Population of Malabar, as in Canara, the option of taking a cheaper and inferior article, and accordingly proposed to rescind the prohibition of the local manufacture of salt. The Bd. and Board of Rev reported unfavorably on this proposal, but the Govt overruling their objections ordered that the manufacture should be revived. The means to be taken were as follow.

Order 15th Feby 1858 No 1179 para 13.

Govt. 19 Sept 1856 No 1668 paras 4 & 5.

1st To select a favorable locality where the brine is good and the soil favorable.

2nd To take care that inferior salt is not received, but is thrown back into the pans; and

3rd To introduce persons skilled in the manufacture of salt from localities where good salt is made

Again on the 10th Dec 1856, in passing orders on a report from the Col. that he anticipated no difficulty in obtaining an adequate supply of foreign salt during the season then next ensuing. the Govt. instructed that Speer be particularly directed his attention till the close of the Fasli to promoting the local manufacture; and should after sometime an advance to him on that account of Rs 500. — Rs 1297. — Or: 17 Dec 57 No 65.

Under date the 30 Oct 57 — Pro: Rs 3706. — Cons: 24 Nov 1857 No 57

the Board of Rev: reported that the experiment gave promise of ultimate success; but no salt had up to that time been actually produced & delivered into store & the Ag: C.C. apprehended that a considerable quantity could not be expected for two or three years. But in the following year (1858) the attempt was declared by both the Col: & the Board, to have been a failure. The salt made in 1856/57 was "comparatively poor in quality and scanty in quantity as a sample in quantity". In 1857/58 the pans selected as being most favorably situated, one only produced a small quantity of salt "of a very inferior description" "Consequently the Col: could not attribute the want of care. Considerable energy had — Cons: 7 Sep 1858 No 41264

had been shown by the parties engaged and a good deal of money had been expended. Experienced manufacturers had been obtained from Bombay; the most eligible sites selected; and the pans prepared on an improved principle and on the system pursued in Bombay. The Superintendent was zealous & experienced. Speer formerly employed in the Salt dept. in Tanjore. The Col: ascribed the failure principally to the sandy nature of the soil of the tidal creeks of Malabar & the tendency of the water to sink thro' the bottom of the pans; but the Board thought that the humid character of the atmosphere was the greatest impediment. The Col: recommended a further trial, but the Board expressed a decided opinion that it was inexpedient to persevere in the experiment. They argued that the difficulties in the way were of a permanent character & that the attempt to force the manufacture must therefore be evanescent. That the sample produced - which was prepared with the greatest care - was almost as indifferent as the, unfit for consumption... and that, had a sufficient quantity been produced, the people would not, because they would be able to buy it cheap

cheap, this illegal practice. The experiment had cost 1029-1-2. and the Board requested sanction for the difference Rs 539-1-2 between this sum & Rs 500 which had been already advanced for this Request. was complied with. but the Govt remarked that they were altogether satisfied with the arguments set forth against the possibility of manufacturing salt with success on the Western Coast districts. They did not see why the porous nature of the soil should prove such an obstacle to the successful production of salt. and deemed that all pains are bestowed in the tenacious clay or even with chunam to prevent leakage; that there could be no want of time in suitable localities - and that the humidity of the atmosphere could offer no greater impediment to evaporation in Malabar than in Goa & the South Konkan where the Manufacture is prosecuted with the greatest success. The Govt trusted therefore that the Ag: Collr would use his best efforts to attain the desired end.

Order 7 Sep 58 No 1215

This appears to be the last Paper on the subject

Entd

No

Calicut 11th May 1860.

No 36 1860

From

P. Grant Esqr

Collector of Malabar

To

J. D. Bourdillon Esqr

Secretary to Government

Fort St George

Sir,

In reply to your demi-official, I beg to transmit the accompanying Memo: on the subject of Salt Manufacture in this District.

I have the honor to be

Sir,

Your most Obed.t Servant

P. Grant

Collector

Ed A.S

Per Mail of 24th Inst.
Sir: I have the honor to
Com. No 1050

To the Collector
of Malabar

To the Secretary
to Government
Fort St George

Dated 15th May 1860
Rec'd 21st do
Encl
No 1039 - 23d June No 36

Transmits a Memo
on the subject of Salt
Manufacture in his
District -

Fort St George
23d June 1860

I Copies
Board of Rev
Coll of Malabar

No 1039

I have the honor to
to forward herewith the Memo
of the Board of Revenue noted
in the Margin for the Consideration
of Government
Whereas it appears
that it has been usual to the
chemical examiners for
analysis and the Report
in such cases should be for-
warded to the Board for
information -

No 267 & 268

William Carter

G. Wilson Mad 8th

Revenue 1800 Depart.
Pro: of Govt. for June

No. 1039.

Pro. of the Madras Govt.
of 23 June 1800.

Letter from the Collector
of Malabar on the subject
of Salt manufacture in
that District referred to
Board of Revenue for report

No. 267: 268.