M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 645 Press Mis.

86-87

Dated 26-4— 1860.

Not to be folded or roughly handled

No. 86. Read the following Proceedings of the Board of Revenue, dated 23rd March 1860, No. 1,536:—

Read again letter from Collector of Madras, dated 7th February 1860, No. 26.

(In Con. 8th February 1860, No. 595.)

Read also letter from Collector of Chingleput, dated 12th March 1860, No. 76½.

(In Con. 14th March 1860, No. 1,172.)

On the subject of establishing a Depôt for the sale of Salt at Home's Gardens on the Adayár.

Resolved to submit the above correspondence to Government, with reference to paragraph 3 of their Proceedings, dated 27th January 1860, No. 138, *In Con. 30th Jany.* 1860, *No.* 451. in which the information now furnished was called for.

2. The project of forming a Depôt for the sale of Salt in Home's Gardens on the Adayár, was suggested by the Collector of Chingleput, when reporting upon the improvements required for the more efficient administration of the Salt Department in his District.

Board's Pro., dated 10th Dec. 1859, *No.* 5,105. *In Con. 30th Jany.* 1860, *No.* 451.

3. The Board have already expressed their favorable opinion of the scheme, and Government in their Proceedings of the 27th January last, have approved generally of it.

4. The further information now furnished puts the subject in a clear light, and the Board desire to support the project, believing, as they do, that it is one which cannot fail to prove beneficial to a large number of consumers, to the traders who supply them, and to the manufacturers from whose Pans the stock is to be drawn. The Government, they think, will also gain by the increased demand for Salt which will follow the opening of a Depôt in the locality in question.

5. The Board do not participate in the doubts expressed by the Collector of Madras in paragraphs 3 and 4 of his letter now forwarded, in regard to the insufficiency of an outlet for a large quantity of Salt at Home's Gardens; but, on the contrary, believe that, even when the present Railway is open to Salem, such a Depôt would be found greatly needed as a relief to the Madras Depôts, upon which the demand will greatly increase as the inland Salt trade feels the influence of the extension of the present Railway which runs within easy reach of them. A large portion of the Salt, however, sold at Home's Gardens would be carried into the Southern Tâluqs of North Arcot and of Chingleput, in which the trade is not likely to be affected by an extension of the present line of Railway, however much it may be at a future period by the opening of another line.

6. The manufacturers at the Pans at Covelong, Vadasamanjeri and Paiyanûr (from which it is intended to stock the new Depôt at Home's Gardens), are certainly not now in so good a position as they were before the Depôts at Madras were thrown open to sales for inland consumption.

7. The serious falling off in these three Pans as exhibited in Statements A and B, must have been a heavy loss to their owners, and the Board consider it by no means a matter of insignificance that the new Depôt will be the means of placing them on an equal footing with the owners of the Madras Pans, in regard to sales of their Salt for inland consumption, in which, from the isolated situation of the Pans themselves, they have not of late years been able to obtain a just share.

8. Mr. Shubrick describes these Pans as producing Salt of undeniable quality, and as possessing capabilities of manufacturing to almost any extent, especially at Covelong. The wastage, however, at these Pans is extremely large, having been equal to no less than 64,195 Rupees during the last three years. This Mr. Shubrick attributes to the low level on which the Platforms there are constructed, and to the want of Embankments to protect the Salt when stored from being flooded.

9. A great saving in this respect may be looked for when the Salt is stored at a Depôt in Home's Gardens, where the ground intended for its site is naturally high and beyond the reach of inundation.

10. To render the project complete, it will be necessary to open branch channels for the purpose of connecting the Pans in question with the Coast Canal, and to make a similar one from the Adayár to the Platform in Home's Gardens, where it will also be requisite to execute repairs and alterations to the Roads as pointed out in Mr. Kennedy's letter to the Collector of Chingleput.

11. Mr. Shubrick estimates the probable expenditure for the whole of these works at 10,000 Rupees, which the Board observe will be more than compensated for by the large decrease which it is expected will be effected in the wastage when the Salt is stored at Home's Gardens as compared with what it has been for the last three years at the places of manufacture. And it must be remarked that the greater part of this outlay would be required whether the Salt is brought to Home's Gardens or carried by the junction Canal when made to the Depôt at Madras.

12. The transport of the Salt from the Pans to Home's Gardens will cost Rupees 2-8 a Garce, against which the reduction in the Kudivarum, to which the manufacturers are ready to submit, may be taken as a partial set-off. The rate is only a trifle beyond what it now costs to bring Salt from the Ennore Pans to the Madras Depôt. This voluntary deduction in the price hitherto paid to the manufacturers as exibited in Statement C, is a strong evidence of the anxiety on their part to get the Depôt established.

13. The Board see no objection to this reduction being made, with an understanding that it will in no degree relieve the manufacturers from their obligation to give Salt of as good a quality as they have hitherto supplied.

14. Mr. Shubrick has pointed out in his present communication a mistake which he conceives must must have occurred in printing his letter of the 19th September 1859, by which he is made to say at paragraph 12, that the quality of the Salt at these Pans was "undesirable and not to be improved," whereas he meant to state that it was undeniable and not to be improved. The word "undesirable," however, appears in his manuscript letter to the Board, so the error was a clerical one committed in his own Office. Mr. Shubrick proposes that 2,000 Garces of Salt should be stored at the new Depôt, and this the Board think may safely be done with every prospect of this quantity finding a regular sale.

In Con. 21st September 1859, *No.* 4,715.

15. The transfer of the Establishment from Vadasammanjeri and Paiyanur to the new Depôt, and the reduction of 39 Rupees in that at Covelong, as proposed by the Collector, would obviate the necessity of incurring any permanent outlay beyond the aggregate amount of existing charges; but the Establishment will be eventually fixed in accordance with Mr. Pelly's Scale of Establishments now under preparation.

16. Under the circumstances of the case, the Board do not consider it advisable to suggest an addition to the price of Salt sold at the new Depôt to cover the cost of carriage from the Pans and the expense of forming the Depôt, upon the principle which they have recently advocated in respect of Inland Depôts.

17. If the price of Salt was higher at Home's Gardens than it is at the Madras Depôt, it would of course check the sale and would probably lead to a failure of the project. The advantages offered to the traders by the Depôt will, the Board think, create an enhanced demand, by which the outlay will be soon repaid to Government.

(A true Extract.)

(Signed) J. D. SIM, *Secretary.*

Proceedings of the Madras Government, Revenue Department, for the month of April 1860.

No. 87. ORDER THEREON, 26th April 1860, No. 645.

1. In these Proceedings the Board of Revenue report further, in pursuance of the Order of Government of January 27th, No. 138, on the subject of the proposed Depôt for the sale of Salt at Home's Gardens on the Adayár. Having communicated further with the Collectors of Madras and of Chingleput, they decidedly advocate the measure, as being beneficial to the manufacturers, the dealers, the consumers, and the Government. They represent also (paragraph 11) that there is likely to be a large saving in the item of wastage at the new Depôt compared with what it is at Covelong, where the Platforms are low and liable to be flooded.

Paragraph 4.

2. The Governor in Council has given consideration to the subject, and agrees in general in the views expressed by the Board. He therefore sanctions the proposed Depôt, and desires that the necessary steps may be taken for establishing it as soon as possible. The Chief Engineer will be requested to obtain from the District Engineer with the least possible delay, careful Plans and Estimates for the works specified in paragraph 10 of the Board's Proceedings. The ground should also be marked out at the most convenient spot, for Platforms to store 2,000 garce. This should be done by the District Engineer of Chingleput, in communication with the Collector of Madras.

3. No objection appears to the reduction of the price paid for the Salt at the Pans supplying the new Depôt, as agreed to by the makers. But the Government will defer passing a final Order on this part of the subject till the general question shall have been reported on by Mr. Pelly, in connection with the Salt Establishments.

Board's Proceedings, paragraph 13.

4. So also no Order is necessary at present respecting the alteration of Establishment proposed in paragraph 15; because, before the Platform shall be ready and other arrangements made, the Government hope to have been able to decide as to the Salt Establishments generally, on a full report from Mr. Pelly.

5. The Government fully agree with the Board that the selling price of the Salt at the new Platforms must be the same as at the Madras Platforms; and that price shall be as at present, the ordinary monopoly price, without additional charge for carriage to the Store. This transport of the Salt is not primarily for the benefit of the consumer but for the advantage of the revenue; it is a different case from that of Salt Depôts established inland, as in Canara, where the primary object is the convenience of buyers.

6. The Government approve of Mr. Cunliffe's proposal that the Pans at Púngallam and Sunnapagunta on the borders of the Pulicat lake, shall be made a source of supply to the Madras Depôt.* Those Pans being unprovided with roads into the interior, their sales have fallen off to a mere trifle. They are also far removed from supervision. Under the arrangement now contemplated, there will be no store there; and it will only be necessary to guard against frauds during the manufacturing season. Adverting to Mr. Shubrick's remark that such an arrangement would involve the necessity of a boat canal to the Pans, the Government observe that both Púnagallam and Sunnapagunta are close on the shore of the lake. Under the contemplated union of the two Districts of Madras and Chingleput, the Pans in question will come under the control of the Collector of Madras.

* *Letter February* 16*th, paragraph* 9.

7. The Statement in the concluding paragraph of Mr. Cunliffe's letter above referred to, is very striking. Out of a total sale in 1859, of 6,61,095 Indian maunds at the Madras Stores, only 34,695 maunds, being 5¼ per cent. of the whole, was sold retail, or by measurement; the great bulk, being six lacs and a quarter maunds, was sold by entire heaps of ten garce each. The advantage of this wholesale dealing to the purchaser is that he receives a discount of 5 per cent.; and it is well worth while to the Government to make this allowance.

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

In Con. 14th March 1860, No. 1,172.

From C. J. SHUBRICK, Esq., Collector of CHINGLEPUT,

dated Saidapet, 12th March 1860, No. 76½.

Adverting to the Board's Orders, No. 583 of the 2nd ultimo, on Government Proceedings, No. 138 of the 27th January last, and also to Mr. Cunliffe's letter of the 7th ultimo, No. 26, relative to the formation of a salt depôt in Home's gardens, Saidapet, I have the honor to enclose copy of a letter from Mr. Kennedy, Assistant District Engineer, reporting favorably of the land in Home's garden as a depôt, and stating that, with the necessary branch canals to connect the outlying portions of the Covelong, Vadasamanjeri and Piyanur pans with the main line of the canal, the whole cost to be incurred will be under Rupees 9,000. Mr. Kennedy, however, seems to have overlooked one canal at Piyanur, which will be necessary for the Kadumbadi portion of that pan, and adding Rupees 1,000 for this canal, Rupees 10,000 would seem to be more than sufficient to cover all expenses. Mr. Kennedy seems to have been misled by the name Kadumbadi, which he looked upon as a separate pan, not within the bounds of his enquiry, while in reality Kadumbadi is a portion of the Piyanur pan.

2. It will be seen from Mr. Kennedy's letter, that the portion of Home's garden, adjoining Sir Adam Bittleston's compound, which it is proposed to devote to the depôt, is capable of containing far more than the 2,000 garces, which it is contemplated to store there, and that it lies well above all river floodings. This appears to me a most important feature in favor of Home's garden, and likely, more than anything, to reduce the annual amount of wastage. Much of the salt at present stored at the pans lies low, and is liable to be flooded in the monsoon, and when the canal which near the pans has no high embankments but flows level with the surrounding country, overflows, I recollect on two or three occasions having been obliged to address the District Engineer on the subject of protecting the pans from inundation by the canal. Irrespective of the salt trade and increased sales, I consider the profit to Government by the establishment of the depôt will, therefore, be incidentally augmented by the diminution of wastage. The enclosed statement D. will show, that the loss of revenue by wastage alone, has amounted, during the last three Faslis, to no less a sum than Rupees 64,195 in the three pans under discussion, sufficient to render an effort at its reduction highly desirable.

3. The establishments to be kept up at the depôt were discussed in my letter of the 19th September last, No. 347, Enclosures 1 and 3, and need not be repeated.

4. The rough sketch maps of roads formerly promised, have no longer been thought necessary, as the District Engineer has reported that nothing in the shape of a road, beyond bandy tracks, leads to the pans, and it was obvious that these bandy tracks could not be marked down in a map.

5. Adverting to paragraph 7 of the Government Proceedings, it would seem that the Government have been misled by a misprint of my letter of the 19th September, paragraph 12. In my printed letter, I am made to say, the quality of the salt is undesirable. Hence the Government criticism and astonishment that nothing is done or could be done to its improvement. My real expression was quite the reverse, and intended to lead quite the other way. I said in my written letter that, the quality of the salt is undeniable, meaning that it could not be better. Bad salt is invariably rejected, and complaints have never yet been heard of bad salt being stored, though of course it may deteriorate into bad by keeping. The establishment of the depôt by expediting sales will obviate this possible deterioration.

6. Adverting to Mr. Cunliffe's letter, I think I have already shewn that the amount of wastage is sufficient to recommend the removal of the salt from the pans to the depôt at Home's garden, and that consequently his objections that the rail will sufficiently supply all the wants of Salem and the inland towns, is not sufficient to prevent the Chingleput southern pans from having a chance of sharing in the trade, or to induce Government to withhold from the attempt of saving their own losses from wastage.

7. Mr. Cunliffe's letter is not easily answered, because confined to supposition and conjecture. With these two ingredients, it is of course easy to throw out objections, but it does not follow that they should carry any weight. Time must shew what the rail will accomplish for Salem, but it does not seem likely to do much or anything for Vandavash and intermediate places from Madras. At present, owing to the want of trade towards the presidency, the whole of the southern portion of Chingleput is supplied with salt from Madras, i. e., from the pans lying from

10 to 20 miles north of Madras, and very little is taken from the pans close at hand. The southern pan holders, who see the bread taken out of their mouths, cannot view this state of things with complacency. The depôt at Home's garden would give them a remedy, and whether it supplied salt to Salem or not, it would supply salt to the whole of southern Chingleput, being on the trunk road, and so much nearer than Madras. It would also supply the southern talooks of North Arcot, and perhaps the northern and western talooks of South Arcot, a sufficiently large tract of country to consume all the salt proposed to be stored in the depôt, and without interfering with the extension of the Madras trade through its railway. Statements A. and B. will shew the woeful falling off in the sales at the three pans, during the last ten Faslis. It will be seen that from garces 1,365, realising Rupees 1,63,837 in Fasli 1259, the sales have gradually diminished to garces 309 and Rupees 37,123 in Fasli 1268.

From what place to what place.	Distance in miles.	Cost of conveyance.		
		Rs.	A.	P.
From Piyanur to the kotar at Home's garden	32	3	4	0
From Kadumbadi to do.	35	3	8	0
From Covelong to do.	20	2	0	0
From Vadasamanjeri to do. ...	15	1	4	0
Total. ...	102	10	0	0
Average. ...	25½	2	8	0
From the Madras pans of Vayalur to Madras kotars....	20	2	6	2

8. The statement in the margin shews the cost of transport from each of the pans to the depôt, compared with the transport of salt from the Madras pans to Madras. The average difference is trifling, and when considered with reference to wastage, nothing. So strong is the desire evinced by the southern pan-holders referred to for the establishment of a depôt in Home's garden, that they have come forward and consented to a reduction in their rates of kudivaram. Statement C. will give the particulars. It will be seen that the reduction is considerable, viz., Rupee 1-12-0 per garce at Piyanur, and its outport Kadumbadi and 12 Annas at Covelong. This reduction, contingent on the establishment of the depôt, will cheapen the price and enhance the Government profits on salt. The pan-holders who may be supposed to be good judges in the matter of their own interest, are willing to forego their former rate of kudivaram, under the expectation that, whereas they are now only called on to manufacture once in every third or fourth year, the depôt and increased sales will require them to do so every year. They hope, therefore, to make up the loss of wages by increased consumption, the true principle of trade.

9. Adverting to Mr. Cunliffe's proposition to take the northern pans of Sunnapagunta and Pungolam, I see no objection, if it is found to be eventually necessary. In the meanwhile, I think he might preferably apply for the delivery of so many garces per annum from those pans at Madras. His wants could be met in this way, as well as by the absolute transfer of the pans. To meet his wants effectually from this side, however, it would be necessary to connect those pans with the canal, similar to the three pans under discussion.

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Enc. 1.

Abstract.—Copy of a letter received from Mr. Kennedy.

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Enc. 2.

Abstract.—Statement shewing the Home and inland sales of salt for 10 Faslies at Covelong, Vadasamanjeri and Piyanur.

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Enc. 3.

Abstract.—Statement showing separately Home and inland sales of salt during the 10 Faslies at Covelong, Vadasamanjeri and Piyanur.

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Enc. 4.

Abstract.—Statement shewing the present and proposed kudivarams at Covelong and Piyanur.

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Enc. 5.

Abstract.—Statement shewing the amount of wastage during the past three Faslies at Covelong, Piyanur and Vadasamanjeri.

Exd. J. Tulloch.

Revenue Dept

No. 645

Proceedings of the Madras Government

Under date the 26th April 1860.

Read the following

Proceedings of the Board

of Revenue.

Submitting with the Board's

observations correspondence with

the Collector of Madras and

Chingleput furnishing the

information called for by Govern-

ment in their Proceedings dated

27th January 1860 No 138 on the

subject of forming a Depot for

the sale of salt in Home's

Garden on the Beach.

(Govt order 23d March 1860

No 1336)

In these Proceed-

ings the Board of Revenue

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of the order of Government

of January 27th, No. 138,

on the subject of the pro-

posed Depôt for the sale

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at the new Depot, com-
pared with what it is
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liable to be flooded.

Para 4

2 The Governor in
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tion to the subject, and
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views expressed by the Board.
He therefore sanctions the
proposed Depot, and directs
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Chief Engineer will be
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4 So also no order is necessary at present respecting the alteration of Establishment proposed in Para 15; because, before the Platform shall be ready and other arrangements made, the Govt hope to have been able to decide as to the Salt Establishments generally, on a full report from Mr Pelly.

5 The Govt fully agree with the Board that the selling price of the Salt at the new Platforms must be the same as at the Madras Platforms; and that price shall be exclusive of the ordinary manufacturing price, without additional charge for carriage to the Store. The transport of the Salt is not primarily for the benefit of the Consumer but for the advantage of the Revenue; it is a difference arises from that of Salt Depôts established inland as in Canara, where the primary object is the convenience of buyers.

6. The Government approve of Mr Cunliffe's proposal that the Rates at Pungalam and Sonnapoyenta on the Borders of the Palicat Lake, shall be made a source of supply to the Madras Depôt

Dist^t. These points being unprovided with pools into the Interior, there have fallen off to a mere trifle. They are also removed from supervision. Under the arrangement now contemplated both, there will be no store there; and it will only be necessary to guard against frauds during the manufacture season. Adverting to Mr Rubrichs remarks that such an arrangement would involve the necessity of a boat canal to the Sand, the Government observe that both Pungalle and Sunnapaguadee are close on the shore of the Lake. Under the contemplated union of the two Districts of Madras and Chingleput, the Sand and

x Letter Sep^r 16 Para 9.

Letter Branch 18 Para 9.

question will come under the control of the Collector of Madras.

I The statement in the concluding paragraph of Mr. Cunliffe's letter above referred to is very striking. Out of a total sale in 1859 of 66,095 Indian Pounds at the Madras Stores only 31,695 Pounds, being 3/4 per cent of the whole, was sold by retail, or by measurement; the great bulk, being 34 tubs and a quarter of Manilla, was sold by auction Lots of ten gave each. The advantage of this wholesale dealing to the purchaser is that he receives a discount of 8 per cent, and it is well worth notice to the Government