M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1307-8 Press ~~Mis.~~

313-315

Dated 16-7- ~~19~~ 18

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 16th July 1863.

No. 313. Read the following letter from J. GEOGHEGAN, Esq., Under Secretary to the Government of Bengal (Miscellaneous Revenue, Salt), to the Secretary to the Government of Fort Saint George, dated Fort William, the 17th June 1863, No. 2,470:—

SIR,

I am directed to forward, herewith, a copy of a letter No. 511, dated the 8th instant, with its enclosure, from the Secretary to the Board of Revenue, and to request that you will be good enough to obtain from His Honor the Governor of Fort Saint George, an expression of his opinion as to whether there are any objections to the proposals made by the Commissioner of Cuttack for the levy of the full Bengal duty of Rupees (3-4) three and four Annas per maund on Ganjam Salt by the Collector of that District, and the remittance of the difference between that duty and the duty leviable in his own District to this Government.

From H. L. DAMPIER, Esq., Secretary to the Board of Revenue, to the Secretary to the Government of Bengal,—(No. 511, dated the 8th June 1863.)

SIR,

1. With reference to paragraph 3 of Government Order No. 1,581, dated 17th April last, I am directed to submit copy of a letter from the Commissioner of Cuttack, and to call the attention of Government to paragraph 8, in which it is suggested that the Collector of Ganjam should levy the full Bengal duty of Rupees 3-4 per maund on all Salt to be exported into this Presidency, and remit the difference between that duty and the duty leviable in his own District to this Government.

2. This proposal seems to the Board to be good and feasible in all cases of applications to pass Salt into these Provinces, and they beg to recommend its adoption if the Government of Madras see no objection to its being given effect to. The pass of the Madras Authorities may be exchanged on the frontier for a pass issued under authority of this Government.

3. The Commissioner seems to think that the applications for such passes will not be numerous, the Ganjam Salt not being according to his showing a favorite Salt in his Division.

From R. N. SHORE, Esq., Commissioner of the Cuttack Division, to the Junior Secretary to the Board of Revenue,—(No. 101, dated the 18th May 1863.)

SIR,

1. I have the honor to acknowledge receipt of your letter No. 388A, of the 5th May, with its accompanying correspondence, directing me, among other things, "at once to raise the price "of Salt so as to include the full duty of 3-4 per maund."

2. Before carrying these instructions into effect I would wish to know whether, as the words seem to imply, they refer alike to Pungah and Kurkutch, or to Kurkutch, which formed the subject of the correspondence with the Madras Government, only.

3. In the *Gazette* of the 9th May I observe that Salt is advertised at fixed *wholesale* prices at the Agency Depôts. These prices are higher than the existing retail prices even of Pungah Salt, but it is possible that they are intended only for Salt exported to Calcutta. If not, I presume that the Board would wish the retail prices of both kinds to be raised to the advertised scale. This would include both the maximum duty of 3-4 and the average cost of producing Salt, or 12 Annas for Pungah and 5 Annas for Kurkutch.

4. But I venture to urge the danger of further raising the rates until arrangements for levying a duty on Madras Salt can be carried out. Those proposed in my letter, No. 90 of the 20th June 1862, contemplated merely the total exclusion of Ganjam a comparatively easy task, as this Salt can always be distinguished from the produce of this Presidency. To levy a duty on it on the frontier line of the Presidencies, where supervision is impossible, is a very different thing. I believe that except in the Kundmals it will be found impracticable.

5. In any case I am confident that the anticipations of the Madras Government will be completely falsified by the event. They forget that, if the full duty be imposed, it is not to

the purchaser a question of getting Salt for 3*d.* instead of 9*d.* a maund, but of paying 3-6 instead of 3-10, or rather 3-9. The difference to him will be in short not 200 per cent. but a fraction over one per cent.

6. Now it further happens that the Ganjam Salt is not, as supposed by the Madras Government, acceptable to the people. It is so bad that nothing but the enormous difference in the price has kept it afloat in the market. During my last cold weather tour in the Gurjats I saw at a place in the Tel River, about twelve miles above Sonepoor, a Merchant with a quantity of Ganjam Salt. In reply to my enquiries he said nobody would look at the Salt at Sonepoor; he was obliged to go into still more uncivilised tracts before its cheapness would attract purchasers. This is not universally the case certainly; but there can be no doubt what the result will be when "the equal terms" on which the Madras Government so strongly insist come into play.

7. This, however, will not remove the difficulty. I do not believe that a maund of full taxed Ganjam Salt will pass the frontier except as a cover for introducing other maunds of untaxed Salt; but in any case the smuggling will be enormous where detection is so difficult. Once past the cordon, how can it be told whether the Salt has paid Bengal as well as Madras duty; or who will there be to enquire?

8. Some little check may however be obtained if the Collector of Ganjam will himself levy the full duty and grant Rowannahs accordingly. This will in every respect be better than levying the difference on the frontier. It will be less harassing to the Merchants; it will place less temptation before the preventive line it will afford readier means of detecting surplus smuggled Salt within the Bengal Presidency, and it will obviate the serious risk and difficulty of remitting the collections of duty (supposing there are any) from such remote out-posts.

9. These remarks apply mainly to the Gurjats. There would be comparatively little difficulty in excluding inadequately taxed Salt from the Pooree District, where, as rightly concluded in paragraph 2 of your letter under acknowledgment, Ganjam Salt is not sold in appreciable quantities. For uniformity's sake it should be provided that in all cases the extra duty should be realized in Ganjam, although as regards Pooree the rule will be inoperative. I do not therefore, with reference to your 3rd paragraph, consider that any stronger preventive line than that already recommended by me will be required.

10. Should the Board wish that in any case the price of Orissa Salt should be raised before arrangements can be made for taxing the Ganjam Salt, I would solicit that instructions may be telegraphed to the Agents direct, mentioning whether the increase is to be on one or both kinds of Salt, and the exact amount. I am now engaged in political duties in a remote part of the Gurjats, and may not return to Head Quarters for some time.

(True Copy.)

(Signed) J. H. CASHMAN,
Officiating Register, Bengal Secretariat.

No. 314. ORDER THEREON, 16th July 1863, No. 1,307.

1. The Government observe that Section 43, Act VI of 1844, refers only to Salt sold by Government for consumption within the Madras Presidency. There is, therefore, no legal impediment to a compliance with the application of the Bengal Government, and an intimation to this effect will accordingly be conveyed to them.

2. The Board of Revenue will furnish the Collector with the necessary instructions, in order that he may carry out the arrangement whenever applied to by the Bengal Government.

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

Proceedings of the Madras Government, Revenue Department,
16*th July* 1863.

Ordered that the following letter be despatched.

No. 315. From J. D. SIM, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of Bengal, dated 16th July 1863, No. 1,308:—

SIR,

In reply to your letter dated 17th June 1863, No. 2,470, I am directed to state that this Government have no objection to the arrangement there proposed, it being understood that the same rate of duty (Rupees 3¼ per Indian Maund) is levied on the Kurkutch Salt of Bengal within the tracts to which the Madras Salt is conveyed. The Collector of Ganjam has been instructed to carry out the arrangement, whenever applied to by your Government.

No. 2470.

FROM J. GEOGHEGAN, ESQ.,

Under-Secretary to the Government of Bengal,

TO THE SECRETARY TO THE GOVERNMENT OF FORT ST. GEORGE.

Fort William, the 17th June 1863.

Mis. Rev.,
Salt.

SIR,

I AM directed to forward, herewith, a copy of a letter No. 511, dated the 8th instant, with its enclosure, from the Secretary to the Board of Revenue, and to request that you will be good enough to obtain from His Honor the Governor of Fort St. George, an expression of his opinion as to whether there are any objections to the proposals made by the Commissioner of Cuttack for the levy of the full Bengal Duty of Rupees (3-4) three and four annas per maund on Ganjam Salt by the Collector of that District, and the remittance of the difference between that Duty and the Duty leviable in his own District to this Government.

I have the honor to be,

SIR,

Your most obedient Servant,

Under-Secretary to the Government of Bengal.

[Exd. J. H. Mendies.]

6th February 63 No 83 to 85
Ct 8th 5 63

Mr Arden.

I see no objection to this Sect 43 Act VI of 1844 refers only to Salt sold for Consumption within the Presidency — No one will take out such Passes of course!

I D S

Ct July. R 11th No 313.

Rec. 1863 Departt
Pro: of Govt for July
No 1606

From the Under Secy
to the Govt of Bengal
Dated 17th June
Rec'd 7th July 1863
No 2470

Ct
J. O No 1807 16 July

Asking the opinion of this Government as to whether there are any objections to the proposals made by the Commissioner of Cuttack for the levy of full Bengal Duty of Rs 3-4-0 per maund on Gunjam Salt by the Collector of that District.

Revenue Departt

No 1307.

Proceedings of the Madras Government
Under date the 16th July 1863.

Read the following letter
from the Under Secretary
to the Govt of Bengal.

Asking the opinion of this Govt as to whether there are any objections to the proposals made by the Comr of Cuttack for the levy of full Bengal duty of Rs 3-4-0 per maund on Gunjam Salt by the Collr of that District. —

(Here enter 17th June 1863 No 2470)

The Government observe that Section 43 Act VI of 1844 refers only to Salt sold by Government for consumption within the Madras Presidency. There is therefore no legal impediment to a compliance with the application of the Bengal Government and an intimation to this effect will accordingly be

be conveyed to them. —

The Board of Revenue will furnish the Collr. with the necessary instructions in order that he may carry out the arrangement whenever applied to by the Bengal Government. —

14 Copies To Mr. B. of Rev. Despatch by

Ordered that the following letter be despatched. —

No. 1308.

To The Under Secretary to the Government of Bengal. 1 Copy Despatch"

Sir,

In reply to your letter dt. 14th June 1863 No. 2470 I am directed to state that this Govt. have no objection to the arrangement there proposed, it being understood that the same rate of duty (Re. 3/4 per lb.) is levied on the Murkutch salt of Bengal within the tracts to which the Madras salt is conveyed. The Collr. of Ganjam has been instructed to carry out the arrangement, whenever applied to by your Government.

Fort St. George
16th July 1863.

Revenue 1863 Sept.ber

Pro: of Govt for July.

№ 1307.

Pro: of the Madras Govt.
D: of 16th July 63.

Letter from the Govt: of Bengal asking whether there are any objections to the proposals made by the Commissioner of Cuttack for the levy of the full Bengal duty of Rs 3¾ per maund on Gunjam Salt, with orders thereon.

№ 1308.
To the Under Secry: to the Govt: of Bengal.
D: 16 July 63.

Letter to Govt: of Bengal on the foregoing subject.

№ 313 @ 315

From Govt of India D: 10 Septr 63 № 2344
H Clarke Esqre member of the Council of Rev of 5 April 64 № 13