

# MADRAS RECORD OFFICE.

Government of Madras.

*Revenue* DEPARTMENT.

G.O. No. 2905

Press  
~~Mis.~~

471-472

Dated 25-11-1865.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,  
25th November 1865.*

No. 471. Read the following letter from the Resident of Travancore and Cochin, to the Chief Secretary to Government, Fort Saint George, dated Trevandrum, 13th November 1865, No. 94 :—

1. Referring to my letters Nos. 87 and 92, dated respectively the 3rd and 8th instant, I have the honor to submit further communications from the Dewans of Travancore\* and Cochin.†

\* No. 3,883, dated 11th instant.

† „ 628, dated 7th do.

2. The former points out in a still more serious way the hardship experienced by the State by the recent rules for the shipment of salt from Bombay, in the general discouragement afforded to the trade with Bombay.

3. It will be observed also, that the Dewan further considers that the refund of the duty to the Travancore State, as suggested in my letter of the 3rd instant, is not likely to afford an effective remedy to the evil.

4. The Dewan of Cochin likewise points out, in his communication, the great hardship to that State of the rules in question, and the disappointment of the expectation held out in the interportal arrangements in regard to the advantages to be afforded to the salt trade and revenue. He, as well as the Dewan of Travancore, earnestly requests the return to the former rule, by which a maximum wastage was allowed.

5. When the rules in question were adopted, their applicability to these States was not contemplated. I am not aware how they may have worked elsewhere, but considering that they are based on the false supposition that the whole quantity of the deficiency, including that from inevitable wastage, arises from its illicit disposal, and that there are no compensatory circumstances in the case of these States, as in the other Districts, to secure them from loss, as pointed out in paragraph 4 of my previous letter, I commend the subject to the favorable consideration of Government, and as the inconvenience and loss to the current year's revenue, as well as the disturbance of the natural course of trade are considerable, I need not add that these Sirkars are most anxious for the early orders of the Government on the subject.

6. I may add that it would be matter of regret if by the incident of a new rule on a comparatively minor question, the contemplated advantages to these States in the interportal arrangements should be materially lessened.

No. 472. ORDER THEREON, 25th November 1865, No. 2,905.

Separate Revenue, No. 23.

Salt.

1. Forwarded to the Revenue Board in continuation of G. O. dated 17th November 1865, No. 2,823, Revenue Department, for early report.

2. Mr. Newill will observe that the Government propose to adopt the course advocated by him.

(True Extract.)

(Signed) W. HUDLESTON,

*Acting Secretary to Government.*

To the Board of Revenue.

„ the Resident at Travancore.

Exd. S. T. Augustin.

No 628  
1865.

21  
Kuzoor Kutcherri,  
Ernaculum in Cochin  
7<sup>th</sup> November 1865.

To

A. Newill Esquire  
British Resident of  
Travancore and Cochin

Sir,

I have the honor to bring to your notice that in consequence of orders recently passed by the Bombay Government disallowing all wastage on salt exported from Bombay to the Ports on the Malabar coast the contractors with the Cochin and Travancore Governments have been under the necessity of asking higher prices than have ever been given before for Bombay Salt or for Salt of any description.

2. The allowance for wastage was 10 per cent and even that was generally insufficient, in my opinion, to cover the losses sustained by the contractors from wastage arising from bad weather and other causes.

Pattanam

3. Potlams, which are the vessels usually employed in the Coast Salt trade, seldom get out of bad weather without shipping seas when salt of course will to a certain extent be dissolved, and, when other descriptions of Cargo may only sustain injury, the salt dissolved is altogether lost.

4. It was hoped that the assimilation of the duty, formerly levied in Bombay on Salt exported for the use of the Cochin and Travancore Governments, with that levied on Salt exported to the British Ports on the Malabar Coast would have occasioned a decrease in the price of the article in Bombay, and such a hope was reasonable, but it was not anticipated by the Sirkars that such orders would ever be passed as those above alluded to in regard to wastage which neutralize the benefit derivable from the assimilation of the duties. The fact is that by the orders in question one charge is merely substituted for another.

5. By the equalization of the duty the Sirkars gain  $\frac{3}{4}$  anna on a Maund

or Rupees 4-11-0 on 100 Maunds. By the recent orders the Merchants and consequently the Sirkars are required to make good the full duty of Rs:  $1\frac{1}{2}$  on every Maund of salt not delivered and as the wastage is 10 per cent or more, the loss sustained is not less than Rs: 15 on every 100 Maunds. So that the orders in question not only neutralize the gain but occasion an actual loss of Rs: 10-5-0 on every 100 Maunds (Rs 15 - Rs 4-11-0 = Rs 10-5-0). The charge substituted therefore is higher than the one remitted.

6. I beg therefore you will be so good as to take such steps as you may deem necessary in the matter with the view to the allowance for wastage, heretofore granted to the Salt Dealers, being continued to them for if the orders alluded to be not rescinded the loss to the Sirkars in the revenue derivable from salt will be very great.

I

I have the  
(Signed) T. Shungay Menon  
Deewan.

(True Copy)

British  
Resident.

Mr

12th Nov 1865

Changes to articles the law consequences  
of recent orders by the Bombay Govt.  
allowing all the exports in salt  
exported from Bombay to the Port  
on the Arabian coast, the con-  
-tinence with the British  
and Government Grants have  
been under the necessity of  
asking higher prices for Bombay  
salt. On 11/12/65

12th Nov 1865. No 628

The Resident in Government

From the Deewan of

Dec 306/65

Enclosed in a letter from  
the Resident of Government  
to the Deewan of  
Secretary to Government  
Dated 13th November 1865 No 914.

No 3883  
R 122

Surgeon Catcherry,  
Povandrum, 11 November 1865.

Sir

H. Newill Esquire  
British Resident of  
Povandrum

Sir,

I have the honor to inform you that, since  
I addressed my letter to you No 3759 of the 1st Instant  
on the subject of the injurious operation of the new  
rules of the Bombay Government by which the export  
-ion of salt from Bombay is subjected to enormous  
penalties for wastage, I have heard further from  
the commercial agent of the shikar.

His statements not only fully con-  
firm all that I have taken the liberty to urge  
in my letter above quoted, but points to other  
grave evils as the consequences of the rules deprecated.

He states that, in consequence of the  
cessation of the salt trade from Bombay with  
Povandrum, the export of Povandrum goods to Bombay

is most injuriously affected, also.

4. The many country coasting vessels which used to bring salt to Travancore from Bombay used also to take large quantities of Copra, Oil, Coir and many other of our products. The freight charged by these return vessels was necessarily low, and operated as a great inducement for the exports of these products. But now, our merchants have to charter vessels expressly for the purposes of such export, and the disadvantage cannot but operate to circumscribe trade.

5. In short, a blow struck on imports reacts equally on exports.

6. Thus the consequences of the new rules are even more widely disastrous than I represented in my letter of the 1<sup>st</sup> Instant.

7. I take this opportunity to beg to be permitted to add another argument to support my belief that the Madras Government, in addressing the Government of Bombay, as it did, could not possibly have contemplated that the course recommended in regard to wastage should

should be extended to Travancore. You are aware that we occasionally get salt from the territories of the Madras Presidency. Some wastage must occur in such cases also. But the Government of Madras does not add to the loss in wastage sustained by the exporter, the far more crushing loss involved in the levy of full duty on such wastage.

8. This State regrets exceedingly that just at the season when the benefits of the recent interpartial arrangements were expected to begin to develop, circumstances should have occurred to place trade almost in a worse position than before, bringing about, as they have been, the entire cessation of the salt trade with Bombay.

9. I beg also to state that even were the Government of Bombay to consent to make over to Travancore the penalties that Government may levy on deficiencies of salt, this State would still be a sufferer. The merchant that exports salt from Bombay would know fully well that he is liable to an enormous penalty for

for deficiency. In compensation for this risk) he would of course exact from the dealer extremely enhanced prices. This he would do under any circumstances so long as he incurred the risk. But at the same time he would leave no endeavour unused to protect himself against the deficiency. In spite of the utmost vigilance at Bombay, he might secure the advantage of over-measurement to some extent at Bombay and under measurement here, so as to enable him to minimize the deficiency, so while there was a real deficiency, it would not be made apparent. Thus, this dealer might have to pay the merchant fully for his risk while it would get little or nothing in the way of full duty from the Bombay Government.

10 This is hardly an imaginary case that is not likely to recur in practice. The profits to be realized by such a manoeuvre would be so great as to tempt and enable many an exporter to try it.

11. I shall feel much obliged if you will be good enough to lay these additional

additional arguments and circumstances before the Madras Government.

12. The great urgency and the great importance of the question to this State must plead my apology for thus repeatedly addressing you on this subject.

I have &c.  
(Signed) T. Madava Rao  
Dewan

(True Copy).

M. M. S.  
Resident.

M. M. S.

Received.

I have the honor to be,  
Sir,  
Your most Obedient Servant  
Alm  
Resident.

Enclosed in a letter from the  
Resident in Chamorro is a letter  
to the Acting Secretary of the  
Military Corps. Dated 13 November 1865.  
No. 94.

~~Dec 30 4/65~~

From the Bureau of  
Chamorro

To the Resident in Chamorro

Dated 11 November 1865. No. 3883

1872

Confirms with reference to the  
letter No. 3759 of 24th Sept. with

of the injurious operation of  
the new rules of the Company

Govt, subjecting the separate  
of salt & common practices

for postage, he has heard  
further from the Commercial

agent, &c

Amo 7203 of 1865

Dec 30 4/65

920: 17th Nov/63. 203088310

[illegible]

of Harrison the son  
of the Chief Agent  
to Government

Denkmal 103  
(November) 1885

So 74.

Enclaved 3.

At 2905 - 25. bar

Wickander

Ordering copies of "Common-  
sion from the Journals of the  
House of Commons from 1713 to 1760  
to be delivered among the Lords  
in presence by the Clerk of the  
House of Commons for the shipment of  
a full House of Commons in the House  
the correspondence of the House of  
Commons with the House of Commons.

From the Resident in Spain  
to the Consul at Cadix  
1809

8-2905

A. G. O. of 13 Jan / 55 - 182823-10. In  
 your report. Mr. Smith will observe  
 that the 2nd. person is also the  
 same as the 1st. person.

20/10/1911

25-5

Nov 9/1872.