M.R.O. 14-5,450—22-10-25.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1459 Press Mis.

Dated 15-6-1866.

Not to be folded or roughly handled

1459

Proceedings of the Madras Government, Revenue Department,
15th June 1866.

No. 342. Read the following Proceedings of the Board of Revenue :—

Submitting, for consideration of Government, proposals from Collector and Deputy Collector of Madras for reserving a large stock of salt at Madras Depôt, and requesting further information from Collector regarding sales of salt at certain pans, &c. } (Here enter 8th June 1866, No. 2,936.)

No. 343. ORDER THEREON, 15th June 1866, No. 1,459.

Separate Revenue, No. 10.
Salt.

1. The Government await the further information called for by the Board.

2. They desire also to know whether it is necessary to maintain the Home's Gardens Depôt Establishment on the present scale for the reduced sales which now take place there.

(True Extract.)

(Signed) W. HUDLESTON,
Acting Secretary to Government.

To the Board of Revenue.

Ed. J. Tulloch.

No. 3,936.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 8th June 1866.

Read the following letter from E. G. R. FANE, Esq., Collector of Madras, to the Secretary to the Board of Revenue, dated Pulicat, 18th April 1866, No. 93:—

1. The sale of salt at Home's Garden Depot having fallen off considerably of late, it is become a question whether, rather than incur the expense of the present large establishments required for the southern salt pans, it will not be better to reduce the one at Home's Gardens, and abolish one or two of the pans, and with them their establishments. This latter would be a great hardship upon the holders of pans closed.

2. I have, therefore, the honor to submit copy of a letter from the Salt Deputy Collector, Mr. Smith, making certain propositions for carrying a portion of the salt manufactured in the south direct to the Madras Salt Kottar, for disposal there, instead of carrying it, as now, to the Home's Garden Depot.

3. It appears, the manufacture in the north is only equal to a little more than one year's supply, and nothing like equal to the supply of an eighteen months' stock; it is also to be expected that the demand upon the Madras Salt Kottar will every year increase. I beg, therefore, to endorse the whole of Mr. Smith's propositions, and request the Board will accord their sanction for an extra Kudivaram of one Rupee and nine Annas, required to be paid to the southern salt manufacturers, who, on receipt of this extra sum, have bound themselves to carry the salt to the Madras Kottar, free of other expenses.

4. It might be argued, that the northern salt pans could make more salt than they do, at present, if urgently called upon to do so: but if all our required salt were taken from the northern pans alone, most of the southern ones will have to be closed, and all the labor and expense that the Government have been put to in preparing them would be lost.

5. The pans, too, having fallen into decay, and the art of manufacturing salt lost there, it would be difficult to re-establish it whenever hereafter salt is required from them, as it surely will be, when the contemplated junction of the northern and southern canals is accomplished.

6. All things considered, therefore, I would strongly recommend that Mr. Smith's plan be tried, at any rate, for a year or so.

ENCLOSURE No. 1.

From A. SMITH, Esq., Deputy Collector in charge of Salt, Madras, to the Collector of Madras, dated 7th February 1866, No. 44.

1. In their Proceedings, dated 3rd September 1864, No. 5,761, the Board of Revenue have directed, under orders from Government, that a quantity of salt, equal to eighteen months' consumption, should be kept in store at minor depots, and a large stock in well selected central stations.

2. Owing to the magnitude of the sales at the Madras depot, it has not been practicable to carry out the Board's orders for reserving at that depot a large stock of salt, sufficient to provide against the vicissitudes of trade and season.

3. Every exertion has been made, both by extending the manufacture at the northern pans, the source of supply to the Madras depot, and by developing existing resources, to obtain a supply of salt that will admit of a large stock being maintained in reserve at that depot; but the increased and increasing sales preclude the hope of the manufacture at the northern pans being hereafter more than adequate to keep pace with the increased sales, as will be apparent from the statement marginally noted.

Year.	Manufacture.	Sales.
	Maunds.	Maunds.
1861	15,16,108	9,57,403
1862	13,82,877	12,14,003
1863	7,37,416	12,05,592
1864	17,49,780	15,19,027
1865	16,17,743	15,68,714

4. Should another unfavorable season like 1863 occur, the stock in hand will be completely exhausted, and the sales temporarily suspended; and although the loss of revenue in this District will probably be counterbalanced by increased sales in the adjoining Districts, the loss to the wholesale merchants who trade in the salt, to the Railway Company who convey it for profit, and to the consumers along the line of rail who will have to pay a larger price for it, if brought to their doors by a more tedious and consequently expensive mode of conveyance, cannot be fully estimated, much less repaid.

5. It is, therefore, of the utmost importance that some mode should be devised for regularly and largely replenishing the store at the Madras depot, and placing it in a position to meet every contingency, whether arising from trade or season.

6. I would not, from financial and other considerations, advocate any further extension of the manufacture in the north, but would look to the south for the required supply.

7. Owing to a falling off in the demand, from causes to which it is unnecessary here to refer, the Covelong and Kelambakam pans have not for some years been worked to the extent of which they are capable; and the manufacturers, who have very little agricultural land, and are mainly dependant on salt cultivation for a living, are prepared to assent to any practicable arrangement which would ensure a regular and annual manufacture of salt at their pans, though attended by a reduction in the rate of Kudivaram now paid to them.

8. Influenced by similar considerations, namely, regular work and increased carriage, the Boat Contractor, Mr. Rozario, has consented to a reduction in his charge for boat-hire, from three annas to two annas per mile per 100 maunds, or Rupee 1-5-0 per garce.

9. If no restrictions are placed on the manufacture at Covelong and Kelambakam, I believe that five lacs of maunds can, at present, be obtained from that Division, and a larger quantity hereafter by increasing the number of pans, if necessary. Assuming five lacs to be the out-

turn, I beg to propose that 80,000 maunds be stored in future at Covelong for exportation, 20,000 at Kelambakam for local sales, and 1,00,000 (with 60,000 maunds manufactured at Samanjeri) be conveyed to Home's Garden depot, and the remaining 3,00,000 to the Madras Kottar.

10. It will here be asked how this salt is to be conveyed to the Madras Kottar, seeing that the long talked of junction between the northern and southern canals has not even been commenced? In reply, I would observe that it is proposed to bring the salt down to Home's Garden in boats as at present, and, without unlading it, to transfer it into gunnies duly secured, and convey it on carts to Madras. Arrived at the depot, the gunnies will be deposited at the place where it is intended to store the salt, and after having been weighed, they will be emptied of their contents, and their weight, separately taken, will be deducted from the weight both of the salt and the gunnies originally ascertained, and the remainder noted in the accounts as the weight of the salt.

11. The cost of bringing from Home's Garden to the Madras Kottar a garce of Covelong and Kelambakam salt, will be as follows:—

	Rs.	A.	P.
Cart hire	4	2	0
Gunnies	0	8	0
Hire for stitching the mouths of the gunnies and for twine...	0	2	0
Total...	4	12	0

12. The rate of Kudivaram paid for Covelong salt is Rupees 13-3-0 per garce; and if the above charge of Rupees 4-12-0, which, for the reasons stated in paragraph 7 of this letter, the manufacturers are willing to bear, be deducted therefrom, there will remain Rupees 8-7-0 per garce, a sum which is less than what is paid for salt obtained from the north, and which will hardly remunerate the manufacturers for their outlay in making the salt.

13. To meet this deficiency, and to give the manufacturers the same rate of Kudivaram at least as is paid for the salt received from the north, viz, Rupees 10 per garce, it will be necessary to add Rupee 1-9-0 to Rupees 8-7-0 above referred to; in other words, to raise the Kudivaram from Rupees 13-3-0 to Rupees 14-12-0 per garce.

14. As a set-off against this additional payment of Rupee 1-9-0 per garce, it will be noted that there will be a saving of Rupee 1-5-0 per garce, in the charge for boat-hire, as explained in paragraph 8; so that the actual additional cost, in excess of present charges, for bringing to Madras a garce of Covelong salt, will only really be four Annas per garce.

15. Looking to the urgent necessity which exists for some steps being taken to annually supplement the store at the Madras depot, and thus to prevent the serious inconvenience and loss to which the wholesale merchants, the Railway Company, and the consumers of Madras salt in the Mofussil will be subjected, in the event of a temporary suspension of sales by the exhaustion of the stock; it appears to me that the small increase of Kudivaram proposed, would be well laid out in averting the impending evils above adverted to, and I shall be obliged by your submitting the proposal for the sanction of the higher authorities, in the event of its meeting with your approval.

16. I beg to enclose a detailed Statement showing the present charges for conveying a garce of salt from Covelong to Homes' Garden, and the proposed charges for bringing the same to the Madras depot.

(True Copy.)

(Signed) E. G. R. FANE,
Collector.

ENCLOSURE No. 2.

Charges for conveying 120 Indian Maunds of salt from Covelong to Home's Garden Depot.											Charges to be incurred by the manufacturers for conveying 120 Indian Maunds of salt from Home's Garden Depot to Madras Kottar.				
Present rates.					Proposed rates.					Difference between Columns 5 and 10, or the amount to be actually disbursed by the Government.	Cart hire.	Gunnies.	Hire for stitching and twine.	Total.	Total of Columns 10 and 15, or the entire cost for conveying 120 Indian Maunds of salt from Covelong to Madras Kottar, including the charges borne by the manufacturers.
Kudivaram.	Boat hire.	Canal Toll.	Hire for unlading.	Total.	Kudivaram.	Boat hire.	Canal Toll.	Hire for unlading.	Total.						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	Rs. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	Rs. A. P.	RS. A. P.	RS. A. P.
13 3 0	3 15 0	0 2 5	0 10 0	17 14 5	14 12 0	2 10 0	0 2 5	0 10 0	18 2 5	0 4 0	4 2 0	0 8 0	0 2 0	4 12 0	22 14 5

	RS	A.	P.
Kudivaram at present per garce	13	3	0
Deduct the charges for conveying salt from Home's Garden to Madras Kottar... ...	4	12	0
Net amount... ...	8	7	0
Add the saving in boat hire per garce	1	5	0
Amount to be given in addition to the present Kudivaram...	0	4	0
Total	10	0	0

MADRAS,
7th February 1866.

(Signed) A. SMITH,
Deputy Collector.

(True Copy.)

(Signed) E. G. R. FANE,
Collector.

1. The foregoing letter and the Deputy Collector's report to which it gives cover are submitted, with reference to the Board's Circular on the subject of maintaining a large

3rd September 1866, No. LXIV.

stock of salt at central stations, and an eighteen months' supply at minor depots. They represent the difficulty of supplying the Madras or Central depot with a stock sufficient to provide against the vicissitudes of trade and season, unless the southern pans, where the business has decreased in consequence of the diminished demand on them, are made available for the manufacture of the additional supplies required at the Madras depot, the manufacturers receiving extra Kudivarum to cover in part the cost of carting the salt from the southern canal to the Madras depot, which they are willing to bear in consideration of additional employment being given them; but the additional charge on the State being again reduced by the less charge for boat hire, which on the same consideration the Boat Contractor is willing to make.

2. From paragraph 3 of Mr. Smith's Report, it is observed that the northern pans, the source of supply to the Madras depot, turned out in 1865 little more than sixteen lacs of Indian Maunds, the sales being very nearly sixteen lacs. Thus the consumption at Madras nearly equals the manufacture in a year. It falls short of it by about half a lac only, or a little more than a week's supply; while the stock in hand, taking the transactions of the last five years 1861 to 1865, is little more than three or four months' supply.*

	In. Mds.
* Salt manufactured from 1861 to 1865	70,03,934
Do. sold during do.	64,64,739
	5,39,195

3. The Board are not satisfied that the out-turn from the northern pans cannot be increased with advantage. As stated by the Deputy Collector, it is necessary to provide against a bad season, and it is, therefore, necessary that every exertion should be made to increase the manufacture at the northern pans, which are the readiest and most natural means of supply at present to the Madras depot. They, therefore, request to be informed what larger quantities can be made in that direction. They also request to be furnished with information on the following points:—

I. What have been the sales at the southern pans, and at Home's Gardens, during the last two years, month by month, compared with the sales of the two preceding years, wholesale and retail?

II. What is paid for boat-hire from Katoor and the several places south of it, on the northern canal, and what from Samanjeri and the several places to the south on the southern canal per mile per garce, and the total distance from each place?

4. It is very evident, however, that something should be done speedily to replenish the stores at Madras before the junction canal is open, which it is apprehended will not be for a long time to come; and the Board, therefore, resolve to forward the above papers for the information and consideration of Government, and to urge the importance of the subject on their attention, not on the ground stated by Mr. Smith, viz., loss to wholesale traders who have already made a fortune, or even of loss to the Railway Company, although that may entail an additional charge on the State for guaranteed interest, but on the ground that the Government having taken up the monopoly of salt, are bound to provide the article at the least pressure and cost to the people, especially now that they have raised the price of salt.

5. The Board understand the Deputy Collector's proposition to be this. Five lacs of maunds are assumed as the quantity which the Covelong and Kelambaukum pans are capable of producing without any restriction being placed on the manufacture. Of this quantity, one lac is to be reserved for storage in the south, one lac (supplemented by 60,000 maunds from Samanjeri) to be retained at the Home's Gardens depot, and the remaining three lacs are to be conveyed to the Madras depot by carting it from Home's Gardens, to which point the salt will be brought down as at present by the canal boats. The cost of carriage from Home's Gardens to the Madras depot is computed at Rupees 4-12-0 per garce. This expense the manufacturers offer to bear

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Present rates.					Proposed rates.										
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1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	Rs. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	Rs. A. P.	RS. A. P.
13 3 0	3 15 0	0 2 5	0 10 0	17 14 5	14 12 0	2 10 0	0 2 5	0 10 0	18 2 5	0 4 0	4 2 0	0 8 0	0 2 0	4 12 0	22 14 5

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Kudivaram at present per garce	13	3	0
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Net amount... ...	8	7	0
Add the saving in boat hire per garce	1	5	0
Amount to be given in addition to the present Kudivaram...	0	4	0
Total	10	0	0

MADRAS,
7th February 1866.

(Signed) A. SMITH,
Deputy Collector.

(True Copy.)

(Signed) E. G. R. FANE,
Collector.

if their Kudivarum be raised from Rupees 13-3-0 to Rupees 14-12-0 per garce, so as to leave them a remuneration of 10 Rupees a garce at least, (the rate paid in the north,) after deducting the expense of carting the salt from Home's Gardens to the Madras depot. In other words, the cartage being paid by Government, the Kudivarum to the manufacturer would be reduced from Rupees 13-3-0 per garce to Rupees 10 per garce. Thus the manufacturer will pay Rupees 3-3-0 towards the cartage charge of Rupees 4-12-0, leaving the difference Rupee 1-9-0 to be borne by Government. On the other hand, in consideration of his boats being more constantly employed, the Boat Contractor offers to bring the salt to Home's Gardens for Rupee 1-5-0 per garce less then he does at present, and this saving to Government being set off against the Government share of the cartage from Home's Gardens, viz., Rupee 1-9-0 per garce, the additional cost to Government of supplying the Madras depot with salt from the southern pans will be reduced to four Annas per garce, or Rupees 625 for the three lacs of Indian maunds, equivalent to 2,500 garce. The Collector should ascertain and report whether the estimate for cartage is sufficient or excessive, and explain whether it is intended that the manufacturers shall deliver the salt at the Madras depot and be paid Rupees 14-12-0 per garce so delivered, or whether Government is to cart the salt, paying Rupees 10 per garce taken into store.

(True Copies and Extract.)

Acting Secretary.

To the Acting Secretary to Government, Revenue Department.

Copy to the Collector of Madras.

Exd. J. Wright.

No. 1459.
The Govt. want to further information called for by the Govt.
Say whether they know
whether it is necessary to maintain
Home's Gardens depot & whether
also if not how the salt can be
15th June 1860.

Rev. Department.
Read the following letter.

No. 1641.
PROCEEDINGS OF THE BOARD OF REVENUE,

Dated 8th June 1860.

Read a letter from the Board of Revenue, dated 25th October 1859, No. 3936.

Ordered, That Submitting for consideration of Government proposals from Collector and Deputy Collector of Madras for reserving a large stock of salt at Madras Depot and requesting further information from Collector regarding sales of salt at certain pans &c.

Ordered

P.C. 2423. 14 Feb. Ordered Revenue 18 June