M.R.O. 1—38,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1974-75 Press Mis.

176-76
Dated 8-12-1920 TA.

Not to be folded or roughly handled

No. 174. Read the following Proceedings of the Board of Revenue, dated 10th November 1870, No. 6,590:—

Read again Board's Proceedings, dated 1st October 1870, No. 5,946.

Read also the following letters:—

From the Acting Collector of Ganjam, to the Acting Secretary to the Board of Revenue, dated Chetterpore, 18th October 1870, No. 1,367.

With reference to the Board's Proceedings of the 1st instant, referring for report the Order of Government, dated the 16th ultimo, No. 1,467, I have the honour to state that the decrease in the sales of Salt in 1869-70, compared with those in 1868-69, is partly owing to the importation into the Central Provinces of Bombay Salt, and partly to the enhancement in the price of Salt; but this decrease has been nearly counterbalanced by the large increase in the sales of April, May, and June 1870, compared with those of the corresponding months of 1869, as shown in the annexed Table:—

Months.	1869.		1870.		Increase.	
	Quantity sold.	Amount.	Quantity sold.	Amount.	Quantity sold.	Amount.
	mds.	rs.	mds.	rs.	mds.	rs.
April	54,595	90,509	1,12,855	2,20,430	58,260	1,29,921
May	45,098	74,483	80,044	1,57,808	34,946	83,325
June	33,132	55,202	61,351	1,20,782	28,219	65,580
Total...	1,32,825	2,20,194	2,54,250	4,99,020	1,21,425	2,78,826

From the Deputy-Collector in charge of the Salt Department, to the Collector of Nellore, dated Kanuparti, 13th October 1870, No. 217.

I have the honour to acknowledge the receipt of your office docket, No. 2,699, dated 5th October 1870, forwarding, for my report, the Order* of the Government of India, received through the Government of Madras† and the Board of Revenue, Madras‡, requiring full explanation of the falling off in the Salt sales of the Nellore and other districts in 1869-70, as compared with the preceding year 1868-69.

* Financial Assistant Secretary's letter, No. 3,271, dated 6th September 1870.
† No. 1,467, dated 16th September 1870.
‡ Dated 1st October 1870.

2. By allusion being made by the Board, in paragraph 2 of their Proceedings communicating the above orders, to their letter, No. 4,867, dated 14th July last, I presume the report now called for is meant to apply to the sales for Home and Inland consumption only, and to the official, and not the Fasli or Revenue year 1869-70. In either case, however, the result is the same; the decrease in comparison with the sales of the preceding year is great, and the remarks which relate to the official year are more or less equally applicable to the revenue year as well.

3. I give below the sales of both years in one view for facility of comparison:—

Particulars.	1868-69.	1869-70.	Difference or comparison.	
			Increase.	Decrease.
Official year.	MAUNDS.	MAUNDS.	MAUNDS.	MAUNDS.
Home Sales	2,75,724	2,83,611	7,887	.....
Inland Sales	4,06,924	2,71,537	.....	1,35,387
Total ...	6,82,648	5,55,148	.....	1,27,500
Fasli or Revenue year.				
Home Sales	2,83,892	2,79,718	.....	4,174
Inland Sales	3,87,384	2,98,465	.....	88,919
Total ...	6,71,276	5,78,183	.....	93,093

4. It will be seen from the foregoing table, that while for the official year the "Home" trade shows an increase of 7,887 Maunds, for the revenue year there is a decrease. This variation is doubtless owing to the ordinary vicissitudes of trade, the character of the season, and various other similar causes, which have a temporary effect, and either swell or depress the demand according as the attention of the people is given to agriculture and other means of livelihood. Since the revenue year expired again, or since the 30th June last, up to the end of last month (September), our Home demand has risen upwards of three thousand Maunds, and has nearly righted itself, and I do not think therefore the variations in this branch of the trade, as exhibited by the foregoing table, needs inquiry or notice. It is due, as I have already remarked, to ordinary and natural causes. I may add, however, that during the past few years there has been a gradual and steady improvement in this branch of our sales as is shown by the figures given in the margin; and the official year 1869-70, the year under report, it will be seen is the best in a series of nine years, so that while the better prevention of smuggling, greater vigilance and care on the part of the Salt servants, and the improved and prosperous condition of the people doubtless all more or less have their influences in causing this increase, it cannot be said that the rise in the monopoly price of five Annas in the maund introduced in the course of that year, or in October 1869, has had a deterrent effect, or has tended to decrease the consumption of Salt within Home limits, *i.e.*, within the limits of the Nellore District.

	Maunds.
1861-62	2,11,807
1862-63	2,25,330
1863-64	2,55,565
1864-65	2,54,865
1865-66	2,67,410
1866-67	2,54,821*
1867-68	2,82,499
1868-69	2,75,724
1869-70	2,83,611

* Note.—This is an exceptional year, and includes the transactions of eleven months only on account of the change made in the date of the official year, from 1st May to 1st April.

5. In the "Inland" trade, it will be seen, by the table given above, the decrease was 1,35,387 Maunds up to the end of the official year, which was reduced by nearly half a lakh or to 88,919 Maunds only in the three following months up to the end of the revenue year. In either case the decrease is large, and while at first, as remarked by the Board, doubtless the traders held back till the stock previously in their hands was consumed and in the hope that the newly imposed rise in price would be again reduced, it is necessary to ascertain what led to the subsequent stoppage of this trade and to the fact that even up to this date it has not righted itself, but exhibits rather, so far as this district is concerned, a tendency to fall still lower. The answer will be found in paragraph 8 of my Annual Report to the address of the Collector, No. 172, dated 9th August 1870, which I beg leave to quote here below in extenso, as it is a detailed reply to the question now put.—

Inland Sales—Paragraph 8.—"Under this head there is a decrease of 88,919 "Maunds, and is the net result of fluctuations in the trade of the divisions as "shown in detail below. The bulk of this decrease arises, it will be seen, in the "north of the district, where, if we deduct the increase in Padarti (34,007) from an "aggregate decrease at Kanuparti and Devarampaud (1,28,011) we have 94,004 "Maunds alone as the actual decrease in our trade from our northern depôts with "the Nizam's Territories in Hyderabad. The cause for this may be in some "measure the increase in the price of Salt which, to some extent, did stop the retail "dealers till the stock previously in their hands was exhausted, and the expectation "that the price might be reduced proved vain. To this decrease in the north if "we add an aggregate decrease in the south at Sunnapugunta and Tada of 6,554 "Maunds, the decrease in the inland sales rises to 1,00,558 Maunds, and if from "this total we deduct a net increase of 11,639 Maunds in our other stations in the "middle of the district, or from Pakala on the north to Dugarazupatam in the "south, the net result is a total decrease for the district of 88,919 Maunds as "already stated.

Stations.	Fasli 1278.	Fasli 1279	Difference.	
			Increase.	Decrease.
	MDS.	MDS.	MDS.	MDS.
Kanuparti	1,43,432	1,24,538	...	18,894
Devarampaud	1,09,698	581	...	1,09,117
Padarti	45,883	79,890	34,007	...
Pakala	9,630	21,628	11,998	...
Binginipalli	24,433	21,277	...	3,156
Tummalapenta	71	2,376	2,305	...
Isakapalli	4,745	3,463	...	1,282
Gogulapalli	4,132	3,525	...	607
Kistnapatam	685	2,984	2,299	...
Dugarazupatam	...	82	82	...
Tada	28,567	26,302	...	2,265
Sunnapugunta	16,108	11,819	...	4,289
Total ...	3,87,384	2,98,465	50,691	1,39,610
Net decrease ...	...	...	...	88,919

"2nd.—Sunnapugunta and Tada supply the same localities, and their trade is, "to some extent, affected by the North-Western Lines of Railway towards Naggery "and Kalastry, and the demand thereby on the Madras stores.

"3rd.—The increase in the intermediate stations in the middle of the district "arises chiefly in Pakala and Kistnapatam, and is owing to a greater demand "having been made on our stores from the eastern parts of Cuddapah and Kurnool "than there was in the preceding year.

"4th.—Compared, however, with the average of the previous five years, it will "be seen by the figures given in paragraph 6 above that the falling off in our "inland trade is still more striking than it is when compared with last year's sales "only, and the causes for this are doubtless the extension of the railway systems "towards Hyderabad whereby stores of Salt are being supplied from Madras and "Bombay to tracts hitherto depended on us for this necessary of life. Better "proof of this can hardly be obtained than by looking into the trade of the last "few years, and the figures given in the "margin will show that since Fasli 1274 "(A.D. 1864-65), there has been a "gradual decline in our "Inland" trade; "and it may be inferred therefore that, "as railways increase, Nellore will "become a small isolated tract of itself, "with very little trade of any kind soever except what its own wants and those of "people on its immediate frontiers require."

Fasli.	Inland Sales. Maunds.
1274	5,83,584
1275	4,46,323
1276	3,72,799
1277	3,93,367
1278	3,87,384
1279	2,98,465

6. I still think that as railways increase, and the facilities of communication with Bombay and Madras in the Ceded Districts, and Nizam's Territories are improved, the demand for Salt from our depôts must fall. Our stations, moreover, are not easy of access; to get to them involves long journeys over difficult paths, and that such a result as that I have alluded to, and the deterioration of the trade of Nellore should follow, is but a natural consequence and not a matter for surprise. With this opinion, and in reference to the results of the Home trade as described above in paragraph 5, I am not disposed to think it can be certainly said that the rise in price enforced in last October has caused the falling off in our sales which has attracted the notice of the Government of India; and whatever effect the increase in price may have had in stopping the trade, that effect was temporary only in my opinion.

7. It is rather early yet, however, to give a decided opinion as regards this last point. As a rule, our Lambadi and Brinjari dealers from the Hyderabad country come down for Salt about the end of October, in November, or December, according as the monsoons have been early or late, scanty or heavy, and in this year the early rains of the south-west monsoon have been unusually plentiful in this district, that it in itself is likely to keep these traders back, and delay them perhaps till December or January. I should, therefore, like to wait till the north-east monsoons are over this year, and watch the demand on our stores another year before stating definitely that it is improved means of communication from other places *and not the enhanced price* that is tending to reduce our "Inland" demand.

Proceedings of the Madras Government, Revenue Department,
8th December 1870.

No. 2,826.

SUBMITTED to the Board in reply to their Proceedings of 1st instant, No. 5,946. The Deputy-Collector's reasoning appears to be sound, but the Board will be better judges of this than the undersigned, who has only just joined the district.

NELLORE,
18*th October* 1870.

(Signed) G. VANSAGNEW,
Collector.

From the Acting Collector of South Canara, to the Acting Secretary to the Board of Revenue, dated Mangalore, 13th October 1870, No. 1,344.

WITH reference to the Board's endorsement of the 1st October 1870 on the Proceedings of Government, dated 16th September 1870, No. 1,467, I have the honour to report that the falling off in the Salt sales in 1869-70, compared with those of 1868-69, is, for the most part, owing to the rise in the selling-price of Salt. It seems to have invited private speculation, inasmuch as 9,901 Indian Maunds of Salt were imported into this district in 1869-70 for sale on private account, whereas in 1868-69 none was so imported. This quantity has to be set off against the decrease in the sales of the year, and will reduce the deficit to Rupees 39,017.

	IND. MDS.	RS.
1868-69	3,36,476	5,66,887
1869-70	2,70,024	5,09,923
Decrease...	66,452	56,964
Imported on private account...	9,901	17,947
Net decrease ...	56,551	39,017

2. The decrease in the Inland consumption is partly attributable to the small outturn of the Coffee crop in Mysore and Coorg, as most of the carts that come down to the coast, laden with Coffee for export, take Salt on their return journey. The decrease in Home consumption is to be attributed partly to the increased price, and partly to the unrestricted use of saline earth and Home manufactured Salt, which, by a ruling of the High Court, are not in this district in breach of the existing laws.

Inland consumption.	IND. MDS.	RS.
1868-69	1,60,011	2,70,018
1869-70	1,22,851	2,37,643
Decrease...	37,160	32,375
Home consumption.	IND. MDS.	RS.
Net decrease	29,292	24,588

THE three letters recorded above are the replies of the Collectors concerned to the Government Order of the 16th September 1870, No. 1,467, calling for an explanation of the falling off in the sales of Salt in 1869-70, as compared with 1868-69.

2. In Ganjam, the decrease is said to be owing partly to the importation of Bombay Salt into the Central Provinces, and partly to the enhancement in the price; but it is pointed out that the falling off has been almost counterbalanced by the large increase in the sales of April, May, and June, this year as compared with those of the same three months in 1869, (amounting to 1,21,425 Maunds,) and there is probably no reason to apprehend any further serious falling off in that

district, except so far as Bombay Salt is increasingly imported into the Central Provinces.

3. With respect to Nellore the case is different, and there is no doubt that the Deputy-Collector is right in anticipating a steady decrease in the *Inland* sales as a consequence of the extension of the North-West and Great Indian Peninsula Line of Railway.

4. There has been a steady increase in the Inland sales from the Madras District in spite of the increasing competition of Tanjore Salt by the Great Southern of India Railway, and it can hardly be doubted that Madras and Bombay Salt together will drive the Nellore Salt out of the Ceded Districts and Hydrabad in a very few years. It will be observed that there has been no falling off in the Home sales.

5. In South Canara there has been an actual decrease in the Home sales of (probably) about 25,000 Maunds, which the Collector attributes partly to the increased price, and partly to the unrestricted use of saline earth and Home-made Salt, the *manufacture* of which in Malabar and South Canara is not contrary to the existing laws. This defect in the law will be remedied by the Excise Act now under the consideration of Government, and, in the meantime, all that can be done is to take precautions against the sale of such Home-made Salt. The decrease in Inland sales may be due partly to the same causes, and partly, as the Collector surmises, to the unfavourable nature of the season in the Coffee districts, but probably more to the increasing importation of Salt into Mysore by the Bangalore Railway.

No. 175. ORDER THEREON, 8th December 1870, No. 1,974.

Separate Revenue, No. 10.
Salt.

RESOLVED that these Proceedings be transmitted to the Government of India, with reference to their Assistant Secretary's letter, dated 6th September 1870, No. 3,271.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Revenue Department,
Fort Saint George,
8th December 1870.

No. 176.

No. 1,975.

To

The SECRETARY to the GOVERNMENT of INDIA,
Financial Department.

Separate Revenue, No. 11.
Salt.

Sir,—With reference to your Assistant's letter, dated 6th September 1870, No. 3,271, I am directed to forward herewith copy of the Proceedings* of the Board of Revenue explaining the falling off of Salt-sales in 1869-70 in the districts of Ganjam, Nellore, and South Canara.

* Dated 10th November 1870, No. 6,590.

I have the honour to be,
Sir,
Your most obedient Servant,
(Signed) W. HUDLESTON,
Secretary to Government.

Govt. of Madras.
REVENUE.
To
THE BOARD OF REVENUE.

Dated December, 8th.
Read.

G. O. 8th December 1870, No. 1,974.

DESPATCH.
Nos. 176-175.

Salt-sales in certain districts.—Explanation of the Collectors regarding their falling off in 1869-70, ordered to be transmitted to the Government of India.

Financial 1870 Department.

[ ]

From Government of

Fort St. George.

Dated 8th December. } *No.* 1,975.
R. } *Enclosures.*
6 spare copies.

D. No.
L. No. Progs. { *D.* / *No.*

FORWARDING copy of the Proceedings of the Board of Revenue explaining the falling off of Salt-sales in 1869-70 in the districts of Ganjam, Nellore, and South Canara.

Revenue Department

W. 1974.

Pros of the Madras Government.

Under date the 8th Decemr 1870.

Read the following

Pro: of the Board of Revenue.

Submg Replies of Collectors of Ganjam, Nellore & South Canara to G.O. calling for an explanation of falling off in sales of Salt in those Districts in 1869-70 as compared with 1868-69

H.L. 10: Nov: 1870. No 6590

Resolved that these Proceedings be transmitted to the Govt of India with reference to their Assistant Secretary's letter dated 6th September 870; No 3,271.

14 Folios Bd of Revenue Desp'g.

Revenue Department.
8th Decem 1870

No. 1975

To

THE SECRETARY TO THE GOVERNMENT OF INDIA.

Financial Department.

Sir,

With reference to your Applicants' letter dated 6th September 1870 No. 3241, I am directed to forward herewith copy of the Proceedings of the Board of Revenue explaining the falling off of Salt sales in 1869-70 in the Districts of Ganjam, Nellore and South Canara.

I have the honor to be
Sir
Your most obedient
humble Servant

Dated 10th Nov. 1870 No. 6590.