

*Proceedings of the Madras Government, Revenue Department,
8th September 1871.*

No. 101. Read the following Proceedings of the Board of Revenue, dated 28th August 1871, No. 3,707:—

Read the following letter from the Acting Deputy-Collector in charge of the Salt Department, to the Collector of Nellore, dated 7th July 1871, No. 105.

WITH reference to your docket No. 1,191, under date the 27th ultimo, empowering me to carry out the sale of salt at the Export platforms of Iskapalli, as approved in the Board's Proceedings noted in the margin, I have the honour

No. 1,835, dated 2nd May 1871. to inform you that, as advertised in the *District and Fort Saint George Gazettes*, I reached Iskapalli early in the morning on the 3rd instant, and waited till 6 P.M. on the 5th in vain, for want of even a single bidder. Thus I was not able to sell any of the 49 heaps notified for sale.

2. A few ryots and one or two Banian merchants in the neighbourhood have made their appearance on the 3rd and 4th at Iskapalli, and, when I had personal conversation with them, they said that they anticipate an average wastage of 10 per cent. in the present state of heaps, and that they shall not, with the present discount of 20 per cent., make out any profit, although they sell the salt at a reduced rate of Rs. 1-13-0 per maund. To clear up the doubt as regards excess

* Stored on the 10th July 1863. wastage, I have selected a heap* (No. 67-100) on the "Revuchadarapu" platform of moderate size, and examined it on the morning of 4th. To our great surprise a wastage of only 26 maunds, or 2½ per cent., has been the result.

3. As there have been nine years passed after the heap was stored, I found that it was covered with dust of about 2 inches thick, and, after breaking the heap open by means of mamooties, etc., the salt has been heavy and formed of large crystals. The colour of the salt was rather whiter than the salt we obtain in Padarti and Devarampad in the present days, which does, however, vary from that of salt manufactured at Iskapalli in Fusly 1280. No diminution has been found in the quality, but it is generally presumed that it is not preferable for human consumption, even at a reduced rate than the grain of recent manufacture.

4. I was not able to find out the real cause of there having been no export demand for the last two years from Calcutta and Chittagong, although there were so in preceding years as shown in the margin.

5. Before going further I would respectfully request you will be good enough to ascertain from the authorities of those two places the true reason of the failure in resorting to this port for salt, and also whether there would likely be any call at all, if fresh salt is manufactured.

Fuslies.	Quantities in Maunds.
1271	1,08,000
1272	
1273	7,400
1274	4,880
1275	1,02,452
1276	38,027
1277	1,800
1278	5,040
1279	
1280	
Total...	2,67,599
Average sale...	26,759

6. Should it be determined that the present stock is not chosen for export trade, it will then occur to consider how it must be disposed of.

*Proceedings of the Madras Government, Revenue Department,
8th September 1871.*

	RS.	A.	P.
• Medipalu or Cudivaram paid at Rs. 7-8-0 per 120 Maunds on 59,056 Maunds...	3,691	0	0
Boat hire for conveying the same to the export platforms	956	2	9
Sundry charges	13	0	0
Covering heaps	212	8	0
Fushies.	RS.	A.	P.
1273	138	8	0
1279	37	0	0
1280	37	0	0

4,872 10 9

come forward for such a high trade, in consequence of their not being accustomed thereto. Those in the district, though possessing wealth in cattle and grain, would not be able to pay in advance Rs. 25,000 in ready money, being only one-fourth of the value of the 49 heaps, at one and the same time, when there is no chance of the stock being sold speedily.

This is noteworthy.
(Signed) G. V. A.

9. Assuming, however, that there would be bidders if more discount is allowed, I will ask what the rate is to be? If a discount of 30 per cent. is allowed, the consequence would be that the wholesale purchasers will clear the stock by selling between the rates of Rs. 1-10-0 and 1-12-0 per maund; and it would take at least 14 months before 56,102 maunds (after allowing 5 per cent. for wastage) are sold, as the accounts show that annual sale, both at Iskapalli and the adjoining station of Gogulapalli, come to 47,276 maunds.

10. There was a reserve of 88,374 maunds* at the beginning of the current month, which were manufactured, in the year 1868-69, in those two divisions for Home and Inland sales. There may be no sale of this stock during the period at which salt is sold by wholesale dealers at a reduced rate, and afterwards, when the demand reverts to the Government stock, the age of the said salt would be between 4 and 5 years; and I hope that the quality of the salt may not be found unequal to human consumption, which, if it occurs, would perhaps require us again to adopt the discount-system, in order to get rid of this stock speedily. Thus we would be acting illegally against the spirit of the Salt Laws for years. Under these several reasons, I am of opinion that the discount-system should not be introduced, which would gradually affect the Government salt monopoly.

11. I have also considered the fact of the stock being removed to the Inland platform, and sold at ordinary rates.

12. There is about 1½ miles distance between the export and the Inland platforms. After the heap is broken, it should be conveyed to a ferry at about 500 yards distance, and whence it should be carried on boats through the line channel,

7. The sums shown in the margin have been occasionally spent up to date on the said salt. It would be a vain attempt, and entail serious loss upon Government, by allowing any increased discount on the wholesale of these heaps in their present condition.

8. It is a fact that merchants of Ceded Districts, which are generally supplied salt from this district, will not come forward for such a high trade, in consequence of their not being accustomed thereto. Those in the district, though possessing wealth in cattle and grain, would not be able to pay in advance Rs. 25,000 in ready money, being only one-fourth of the value of the 49 heaps, at one and the same time, when there is no chance of the stock being sold speedily. Besides, I am perfectly confident that none in the district would choose to come to this bargain for fear of their being taxed heavily on presumed incomes by entering into such extensive trade.

*Proceedings of the Madras Government, Revenue Department,
8th September 1871.*

and heaped on the platform, being about 300 yards distance. This procedure will, in my opinion, give cause for an average wastage of 10 per cent., besides the 5 per cent. wastage calculated on its present state.

13. Mr. Plunkett, in the last paragraph of his letter noted in the margin, calculates the cost of restoring those heaps at Rs. 4 per garce. He has not, I believe, considered the state of the line channel which is out of repair. The Superintendent of the Division estimates Rs. 3,000 roughly for making the channel useful for navigation. Thus the total cost of restoring would be ... Rs. 4,870 0 0
Amount spent already on the stock „ 4,872 10 9

Total ... 9,742 10 9

14. With all this additional expenditure, there is no chance of the stock being sold at once. The fact of Gogulapalli station in the neighbourhood talked of long for being abolished may not, I believe, permit to suspend the sale in that station for this old stock being disposed of. The reserve at Gogulapalli being 53,202 maunds are not likely to be sold before 18 months, with reference to the present demand on the division. After which I am not sure whether retail-dealers would choose the old stuff in preference to the recently manufactured salt at Tummalapenta and perhaps at Kristnapatam also.

15. With the amount of Rs. 4,870, estimated for restoring the salt, we could be able to have 39,000 maunds of fresh salt manufactured at Rs. 15 per 120 maunds or a garce, when there would entail necessity for doing so, after the present stock, being 35,172 maunds, on the Inland platform at Iskapalli, is cleared off, which cannot be expected before two years, as shown by the sales of the last two years* and consumers would then readily come forward, and hence there shall be no future loss to Government, and the salt monopoly price will stand on an even scale in all the divisions.

Fushies.	Sale in Maunds.
1279	12,133
1280	15,567

16. With this view, I strongly recommend that the present stock of 49 heaps may be ordered to be destroyed, after it has been ascertained from the authorities of Calcutta, etc., as represented in paragraph 5 of this letter.

*Mr. Plunkett's opinion on letter No. 105, dated 7th May, from Kanchi Subbarow,
Acting Salt Deputy-Collector.*

“I quite agree with the Acting Salt Deputy-Collector that the best means of disposing of the old salt at Iskapalli is to destroy it. It will be seen that the Board were of opinion that this is clearly the “most desirable” course—paragraph 6 of their Proceedings dated 8th December 1870, No. 7,007; but the Government directed the sale of the salt by auction. This has now been tried, and has proved a most signal failure; there remains, therefore, no alternative but to destroy it. Moreover, for the reasons assigned at length in paragraphs 8, 9, and 10 of the Acting Deputy-Collector's letter, there appears to be no chance even of a sale if a

*Proceedings of the Madras Government, Revenue Department,
8th September 1871.*

higher rate of discount is given. I do not altogether agree in the calculations of the Acting Deputy-Collector in paragraph 9, that it will take fourteen months to consume this stock of salt. This is based on the present trade of Iskapalli and Gogulapalli alone; but if the salt is sold cheap and the purchasers retail it again at a moderate profit, I have not the least doubt but that much of the trade of Pakala, Tummalapenta, and Kristnapatam will be drawn to it, and that ten months will be found to be ample time to dispose of the whole quantity. The difficulty appears, however, to be to get bidders to invest in so large a quantity; whether it is fear of the Income-tax or the precarious nature of the trade, I cannot tell; and, in the absence of bidders, any reduction of price will not affect the desired object to dispose of this salt, and so the only remedy of destruction is left to us, and ought to be carried out. As to whether there is a demand for salt up at Chittagong and Calcutta, it appears to me a demand, and not a slack one, does exist, for during the two months that I was employed in the Chingleput District recently, five or six large ships took away the entire reserve of more than a lac of maunds from Covelong. A native agent stipulated beforehand for the whole quantity, and bound himself to clear it all by 31st July, but he did so by the end of June instead, and an application came in a day or two before I left for more salt for expenditure from Covelong; but as there was none to give, the parties were told to renew their application from either Ennore or Madras. It will be thus seen that the demand does exist, and it strikes me that one or other of three reasons, or perhaps all three combined, operate to prevent the sale for export at Iskapalli, where, moreover, our selling price is less than either the selling rate of Madras, Covelong, or Ennore; a cargo of salt from Iskapalli would thus be much cheaper. The three reasons referred to are—

1st.—The inferior quality of the salt and its age which makes it as a cargo all the more precarious and liable to loss in the voyage.

2nd.—The want of agents at a small place like Iskapalli to act for the Calcutta purchasers. In Madras there are numbers of respectable merchants who embark in the trade, but who is there at Iskapalli. This is, in fact, the same reason as led to no bidders at the recent auction.

3rd.—As to the facilities in getting boats and labour. Having suggested the destruction of the present stock, the question arises, are we to make a fresh reserve for exportation next year? If so, how is the demand to be calculated, and how much should be made? These are important considerations, because if the quantity required is likely to be large early steps will have to be taken to set about preliminary operations. The pans have been so much neglected from no salt having been made there these many years, and the 'Line' or Boat Channel so much silted up that extensive repairs to both are called for. In order to regulate the quantity and calculate the probable demand with anything like certainty, I beg to support the Acting Deputy-Collector's suggestion that a reference be made, through the Board of Revenue, Madras, to the Salt Agencies at Calcutta and Chittagong."

(Signed) C. E. PLUNKETT,
Deputy-Collector.

*Proceedings of the Madras Government, Revenue Department,
8th September 1871.*

No. 1,376.

SUBMITTED for orders, with reference to correspondence marginally noted. I

Government Order No. 72 of 11th January 1871,
communicated with Board's Proceedings dated
16th idem, Miscellaneous No. 141.
Board's Procs. of 2nd March 1871, No. 916.
Do. of 2nd May " " 1,835.

entirely concur in the opinions of the two Deputy-Collectors, and request authority to destroy the salt. I would also request the Board to make the suggested reference to Calcutta and Chittagong.

NELLORE,
20th July 1871.

(Signed) G. VANSAGNEW,
Collector.

BEFORE recommending the destruction of the salt on the Export platforms at Iskapalli and its abolition as an export station, the Board resolve to request the authorities at Calcutta and Chittagong to inform them of the causes, if they can be ascertained, why there has been no demand for salt from the former port to Calcutta and Chittagong since the beginning of Fusly 1279, and whether there is likely to be any demand for salt for export from Iskapalli in future.

2. The Collector of the Chingleput District is requested to submit a statement showing the outturn of salt manufactured during the present year similar to that just received from the Collector of the Kistna with his letter No. 2,256, dated 27th July 1871 (a copy of which has been forwarded to him with Proceedings dated 28th August 1871, No. 3,705). It is possible that this salt might be transported to Nizampatam with advantage.

3. Resolved that the following letters be despatched to the Secretary to the Board of Revenue, Bengal, and to the Chief Commissioner, Chittagong:—

(Here enter letter dated 28th August 1871, No. 3,708.)

No. 102. ORDER THEREON, 8th September 1871, No. 1,556.

Separate Revenue, No. 7.
Salt.

ORDERED to be recorded.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Copy

Recd 1871 Sep
Board of Revenue,
MADRAS. *No 2894*

PROCEEDINGS, 28TH AUGUST 1871, No. 3,707.

Dist 24 Sept 1871

Encl.

Received.

7 Sep

AUGUST.

No. 3,707.

Salt available at export platforms of Iskapalli—in Nellore District.—Reference resolved to be made to Calcutta and Chittagong in connection with disposal of large quantity of,—Collector of Chingleput requested to submit a Statement showing out-turn of salt manufactured during present year.

No 1556
Reviewed
8 Sept 1871

14. To the Board of Revenue 1871

No 101-102