

(1) Number of pages 12(2) Date of repair 21-6-82

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.**Government of Madras.****REVENUE DEPARTMENT.**G.O. No. 72Press
Mis.

Dated

11-1- 1871.**Not to be folded or roughly handled**

*Proceedings of the Madras Government, Revenue Department,
11th January 1871.*

No. 148. Read the following Proceedings of the Board of Revenue, dated 8th December 1870, No. 7,007:—

Read the following letter from the Officiating Collector of Nellore, to the Acting Secretary to the Board of Revenue, dated 23rd September 1870, No. 2,581.

In his docket, No. 161, dated 22nd July 1870, the Salt Deputy-Collector requested sanction for incurring an expenditure of Rs. 37 for renewing the thatch coverings of the salt heaps of Fasli 1272 on the Isakapalli Export Platform. In sanctioning the expenditure accordingly, I requested his attention to the desirableness of disposing of these heaps once for all, instead of incurring such expenditure annually as has been the case actually for years past.

2. I beg to enclose copy of Mr. Plunkett's reply, dated 9th September 1870, No. 195, describing the condition of the heaps in question, and the circumstances under which they remain unsold up to this time.

3. Mr. Plunkett suggests two courses, namely:—

1st.—To remove the salt to the Inland Platform at the cost of Government, and to sell it there at the monopoly price of Rs. 2 per maund; or,

2nd.—To offer it for sale at a reduced rate of Rs. 1-12-0 per maund to the "Home" and "Inland" dealers from the platform where it is stored at present.

4. I think the latter course is preferable. I have, therefore, the honour to request sanction to sell the salt in question at the reduced rate of Rs. 1-12-0 per maund with the usual allowance for wastage when purchased wholesale.

ENCLOSURE No. 1.

From the Deputy-Collector, in charge of the Salt Department, to the Officiating Collector of Nellore, dated 9th September 1870, No. 195.

I HAVE the honour to acknowledge the receipt of your docket, No. 1,950, dated the 5th ultimo, in paragraph 2 of which I am required to give my opinion as to the desirability of disposing of the old salt now reserved at Isakapalli for the export trade, instead of incurring the annual cost of recovering these heaps, etc.

2. The quantity of salt thus remaining reserved according to our accounts is 59,056 maunds of the manufacture of Fasli 1272 or the Calendar year 1863. It is thus more than seven years old, is of bad colour, and grain was made by an inefficient Superintendent, who was subsequently dismissed the department; and, having been stored with tripod beam scales, the results, as now

1. Assistant-Collector Mr. Knox's letter of 30th April 1868.
2. Acting Collector's foot-note thereto, No. 1,269, dated 4th May 1868.
3. Salt Deputy-Collector's reply, No. 219, of 7th July 1868.

returned by the scientific weighing machines in use in the department, are very unsatisfactory, and exhibit gross carelessness in the storage, as will be seen from the correspondence noted in the margin.

3. The salt, moreover, being intended for shipment by sea, is stored on the export platforms on the beach, which are not easy of access from the land side. On the direct route the backwater is not fordable, and the platforms can only be reached by a ferry; and by following the road up to the warehouses at the port, there is half a mile or more of very heavy sand to be got over to arrive at the platforms, and this is further intercepted, but not at all times, by the bar across the mouth of the backwater.

4. This last cause is, I think, the greatest impediment to the disposal of this salt for the land trade. In 1865 and 1866 an attempt was made to get rid, in this manner, of some salt of

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Faslies anterior to that to which the reserve now remaining belongs; but, owing to the want of proper means of approach, the result was a failure, as will be seen by my letters, Nos. 337 and 387, dated 1st and 24th October 1866, and all the salt older than that now left was ordered to be destroyed under Board's Proceedings, No. 7,832, dated 30th October of the same year.

5. The export trade is, however, very variable,* and in the last two or three years has been next to nothing. In March and April 1868 some 1,800 maunds were shipped; for fourteen months there was a lull, and in May last year 5,040 maunds were exported. Since then there has again been no demand, and it is impossible to tell when another call for shipment is likely to arise. In the meanwhile all this salt, which is inferior, and is already seven years old, is deteriorating both in bulk and quality, and there is not only the expense of recovering the heaps annually, which is in itself a mere trifle of less than 40 Rupees, but also the additional charge of the Police guard maintained to protect it, etc. The question, therefore, arises as to how this salt can best be disposed of.

* Export sales.

Years.	ON ACCOUNT OF PRIVATE TRADE.			Total.
	To Calcutta.	To Chittagong.		
	MDS.	MDS.	MDS.	
Feb'y 1274 (A. D. 1864-65) ...	4,880	...	4,880	
" 1275 (" 1865-66) ...	1,2452	...	1,02,452	
" 1276 (" 1866-67) ...	...	38,027	38,027	
" 1277 (" 1867-68) ...	1,800	...	1,800	
" 1278 (" 1868-69) ...	5,040	...	5,040	
Average...	22,834	7,606	30,440	
" 1279 (A. D. 1869-70) ...	...	...	...	

6. Two methods occur to me—one, to transport the salt to the Inland platform at the Government cost, and dispose of it there at the usual monopoly rate in the ordinary course of the land trade; and the second, is to offer it for sale at a reduced price to "Home" and "Inland" dealers from the platforms where it is now stored. In either case the financial result of the measure will be to the benefit of Government, for the price of salt for shipment is only 13 Rs. per garce of 120 maunds, and, at this rate, the 59,056 maunds, after making the usual allowance for wastage, would yield only about 6,000 Rs. in round numbers more or less.

7. Of the above two methods, the second, or the offer of the salt whence now stored at a reduced price, commends itself to me as the most feasible and the most likely to attract purchasers, and the loss to Government will only be about 7,000 Rs., as exhibited below. The reduction in the price I would suggest is 4 Annas in the maund, or 12½ per cent. on the present monopoly rate of 2 Rs. per maund, and I have the honour to recommend its adoption.

59,056 maunds, at the reduced rate of 1 Re. and 12 Annas per maund, is Rs. 1,03,348. Wastage, at five per cent. as the natural result of moving, carrying in boats by the line channel, etc., is 2,954 maunds; this, deducted from 59,056, leaves 56,102 maunds, or 467½ garces nearly:—

Cost of removing 467½ garces, at 4 Rs. per garce	...	...	...	...	1,870
56,102 maunds, at 2 Rs. per maund	...	...	...	...	1,12,204
Net revenue...	...	...	...	...	1,10,334

Difference of the two methods, or loss by reducing the price as proposed by me. 6,986

Read again official memorandum from the Acting Sub-Secretary to the Board of Revenue, dated 19th October 1870, No. 1,221.

With reference to his office letter, No. 2,581, of the 23rd September last, the Collector of Nellore is requested to report (i.) whether the stock of salt in store for inland consumption is less than enough for eighteen months' consumption, and (ii.) whether the old salt referred to could not be sold *wholesale* if a liberal discount were allowed.

*Proceedings of the Madras Government, Revenue Department,
11th January 1871.*

Read letter from the Deputy-Collector, in charge of the Salt Department, to the Collector of Nellore, dated 1st November 1870, No. 236.

In reply to your foot-note, No. 2,907, of the 31st ultimo, appended to copy of the Board's official memorandum, No. 1,221, dated 19th idem, I have the honour to state that the stock of salt in hand at Isakapalli for the inland trade is not less than enough for eighteen months' consumption; it is just equal to that period's reserve, or, if anything, may be a month or two *in excess* of an eighteen months' stock.

2. As to whether a liberal discount would lead to the old stock, referred to in the Board's official memorandum, being sold off wholesale, I am of opinion that a discount of twenty per cent. on the present monopoly price would effect this result.

3. This discount may seem high, but it must be remembered that in my former proposals I suggested 12½ per cent. or 2 Annas in the Re., for the retail trade, in order to attract purchasers, *plus* the ordinary five per cent. to cover wastage in wholesale transactions. My former proposals for wholesale purchases thus amount to 17½ per cent., and the additional 2½ per cent. now proposed for wholesale dealings entirely is not excessive.

4. The difficulty in getting at the platforms from the land side is so great that even this twenty per cent. discount, liberal though it may seem, will hardly prove a sufficient inducement for the rapid sale of forty-nine whole heaps.

No. 2,962.

(True Copy.)

SUBMITTED in reply to the Board's official memorandum, dated 19th ultimo, No. 1,221.

NELLORE,
4th November 1870.

(Signed) G. VANSAGNEW,
Collector.

THE Board resolve to submit these letters for the orders of Government.

2. They relate to a large quantity of salt (nearly 60,000 maunds) in store at the export platform at Isakapalli.

3. It was stored in 1863, was bad to begin with, and has been deteriorating in quality and diminishing in amount ever since. It is, therefore, very desirable to get rid of it, if possible, to save the cost of thatching and guarding.

4. In his first letter on the subject, the Deputy-Collector proposed to dispose of it retail at the reduced rate of Rs. 1-12-0 a maund, and the Collector endorsed this suggestion. It is clear, however, that this course would be an illegal reduction in the monopoly price. The only justification for allowing discount on *wholesale* transactions is the fact that Government is saved the cost of selling by retail, and any enhancement beyond the usual discount should only extend so far as to cover ascertained wastage, allowing (perhaps), something for such inaccessibility (especially in the case of salt stored on an export platform), as will be certain to add materially to the retail price, and probably raise it to the full monopoly price by the time it reaches the usual place of storage for Inland sales.

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11th January 1871.*

5. In his second letter, recorded above, the Deputy-Collector gives it as his opinion that a discount of twenty per cent. would be required to effect a rapid sale of the forty-nine heaps in store.

6. It seems only too probable that the salt is very bad, if not absolutely unfit for consumption like that destroyed at the same place in 1866 (referred to by the Deputy-Collector in paragraph 2 of his first letter), and there is an ample supply of the best salt in the district within a few miles of it. Moreover, having been made for *export* only, its destruction would in no way diminish the supply for Home and Inland sales, and, on the whole, the Board are clearly of opinion that it is most desirable to destroy it.

7. If, however, Government are not disposed to agree to this, the Board would suggest that it be sold by auction, as was done with a large quantity at Munjankulam, in the Tinnevely District, last year, (see Board's Proceedings, No. 1,704, dated 12th March 1869).

No. 149. ORDER THEREON, 11th January 1871, No. 72.

Separate Revenue, No. 13.

Salt.

THE Government adopt the Board's suggestion for the sale of the salt in question by auction.

2. The Board, in communication with the Collector, will fix an upset minimum price per garce.

(True Extract.)

(Signed)

W. HUDLESTON,

Secretary to Government.

To the Board of Revenue.
,, the Accountant-General.

Exd. F. R. Bantleman.

No. 1,704.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 12th March 1869.

Read the following letter from C. T. LONGLEY, Esq., Acting Collector of Tinnevely, to the Acting Secretary to the Board of Revenue, dated 18th February 1869, No. 79:—

In reply to Proceedings of the Board, dated the 8th instant, forwarding copy of telegram received from one Rungasawmy Naidu, offering to take the whole 107 heaps remaining at the Manjankulam Salt Pan if a reduction of Rupees 21 per cent. was made, I beg to state that I put the 107 heaps of 1863 and 1864 remaining in the Manjankulam Pan up to auction to-day.

2. Rungasawmy Naidu and several others anxious for the salt were present, and the competition was so brisk that the discount was reduced from 21 per cent. to 11, Rungasawmy Naick's bid, and he agrees,

(1.) To pay a deposit of Rupees 5,000 as security.

(2.) To remove the salt at the rate of seven heaps per month, and pay the reduced price on the 1st of each month.

(3.) To remove the whole of the 107 heaps within eighteen months from the date of his agreement being signed.

(4.) If he fails in any of the above conditions, to forfeit the sum deposited.

3. I would recommend the Board to sanction the disposal of the salt on the above favorable terms.

Sanctioned.

(A true Copy and Extract.)

(Signed) J. GROSE,
Sub-Secretary.

To the Acting Collector of Tinnevely.

Exd. T. Cartledge.

Proceedings of the Madras Government
Under date the 11 January 1871

Read the following
Proceedings of the Board of
Revenue.

Submitting suggestions of
Deputy Collector of Vellore District
in charge of Salt Department, for
disposal of salt of Tushy 1272 stored
on export platform at Lokapally,
with recommendation that salt be
either destroyed or sold by auction.

(H. & S. Decr-1870 No 7007.)

Don't let the plan of
destroying salt. If not
for the sake of the
Government for the
salt of the salt.

The Government
adopt the Board's suggestion
for the sale of the salt in
question by auction.

The Board in communication
with the Salt Collector and
Commissioner of the Salt
Department.

Be then here an up
let price known.
There is no can be
- tition & may be
contribution

14 To the Board of Revenue
16 - Salt Collector

[Signature]

Proceedings, 12th March 1869, No. 1,704.	
Received	Encl.
Board of Revenue, MADRAS.	
No. 3922/70.	
MARCH No. 1,704.	
Salt heaps of 1863 and 1864 remaining in Mangalkulam Pan, in Tinnevely District. - Sale of - to Rungaswamy Nair, on certain terms, functioned.	

Enclosed in the No. of the
Board of Revenue to the Salt
Collector dated 8 Decr 1870.

No 149

L.R.
Sale by public
Auction of Salt
in Wellen Dune

For Mr. [unclear]

Dr. [unclear]
Som

