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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

RGV

DEPARTMENT

G.O. No.	2127	Press.
B.P. No.		Mis.
Dated	27-6-1877	197

Not to be folded or roughly handled

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

27th June 1877, No. 2,127.

Read the following paper :—

No. 604. Proceedings of the Board of Revenue, dated 23rd June 1877.

Read the following letter from W. LOGAN, Esq., Collector of Malabar, to H. E. STOKES, Esq., Secretary to the Board of Revenue, dated Calicut, 15th June 1877, No. 153.

As directed in paragraph 2 G O., Revenue Department, dated 9th May 1877, No. 1,677, I have the honor to submit a statement of the establishment which it will be necessary to maintain at the several ports when the Salt Excise Act is introduced.

2 This statement differs slightly from that submitted with my letter published with Board's Proceedings, dated 6th April 1876, No. 935, and it will entail an additional monthly charge of Rs. 112, but I am of opinion that the establishment now detailed should be sanctioned.

3. The fact is it is very difficult to say in what direction or to what point the trade in salt will be diverted. It would now seem certain that much of the country which used to be supplied with salt from this district will now receive its supplies by rail from the East Coast. It may be that the establishment now proposed for Beypore will be greatly in excess of what is required, because Beypore is not itself a place of great trade, and because the merchants who will send off salt from Beypore will be men settled permanently in Calicut. These men naturally like to have their warehouses in their places of business, and are not likely to make much use of the Beypore bonded warehouse for which there is one equally handy at Calicut. Then, again, Ponani used to send large quantities of salt into the interior, and it seems likely that a large trade in salt will be developed owing to the facilities of water communication. The establishment then may require to be even further strengthened. In short, the trade must be carefully watched and modifications made, if necessary, in the proposed establishment. Meanwhile the statement now forwarded provides for all contingencies that I can at present think of.

4. You will observe that at all the warehousing ports I have provided an Assistant Superintendent of Customs, whose special work it will be to look after the salt traders and bonded warehouse. I propose to give him Rs. 30. He will, of course, work generally under the orders of the Superintendent at the port. I have also provided for increases to the pay of the Superintendents at Beypore, Calicut, and Ponani whose work will be greatly increased. If the Beypore and Ponani men were appointed Port Conservators (as proposed in my former letter), the increase now asked for for them would not be required. The Calicut Superintendent's work is very heavy, and the accession to it caused by these new arrangements seems to entitle him to an increase in pay.

5. At the minor ports of Quilandy, Tanur, and Chowghaut I propose to give the present Assistant Superintendents Rs. 35 each—small increases—in consideration of the increased responsibility that will be thrown on them.

6. At all the warehousing ports where there is no treasury immediately at hand I propose to employ a shroff at Rs. 15 for checking payments. At all the warehousing ports I also propose to have a weigher at Rs. 7. At Calicut I propose to have two weighers. It may be found necessary to increase this last-mentioned portion of the establishment.

Revenue Department, 27th June 1877, No. 2,127.

7. The number of peons must be considered as only tentatively fixed, because if a large trade in foreign salt spring up, it will become necessary largely to augment their numbers. One man at least will be required to be put on board every foreign ship that arrives.

8. The following is a summary of the existing and proposed establishments :—

	Existing.		Proposed.	
	No.	Monthly Pay.	No.	Monthly Pay.
<i>Sea Custom.</i>				
Superintendents	7	Rs. 490	8	Rs. 590
Assistant Superintendents	4	110	10	335
Clerks and Shroffs	21	389	29	515
Peons, &c.	79	471	102	611
Total	111	1,451	149	2,051
<i>Salt.</i>				
Superintendents	7	265	...	...
Clerks and Shroffs	7	105	...	...
Peons, &c.	21	118	...	...
Total	35	488	...	...
Grand Total	146	1,939	149	2,051
Net Increase	...	...	3	112

9. The warehouses now existing at (1) Cannanore, (2) Tellicherry, (3) Calicut, (4) Beypore, (5) Ponani, and (6) Cochin will, for the present at any rate, serve as bonded warehouses. A warehouse to hold, say, 100 garces will be required at Badagara. I propose to make it of temporary materials, similar to those at Cannanore and Ponani. An estimate, amounting to Rs. 486-1-7, is enclosed. The annual repairs of the buildings will not exceed what is now spent on salt stores, viz., about Rs. 2,300, which is the average of the last three years.

10. There are at present warehouses at Chowghaut and Madilagam. The former cannot be used as a Sea Custom House, as it is not properly situated for the purpose. A Sea Custom House at that place is much required. The present office is held in a miserable little shop. A former one was, I was told, swept away by a flood in the river. The warehouse may be retained for a time, as it may come in useful should the manufacture of salt be seriously taken up in this neighbourhood, where it has an excellent chance of succeeding. I propose to pull down or otherwise dispose of the warehouse at Madilagam.

11. As promised in my telegram, dated 5th instant, with reference to Board's Proceedings, dated 30th May 1877, No. 2,435, I have the honor to enclose a list of the sub-ports attached to each principal port in this district with the number of employees at each. It will be absolutely necessary to prohibit the loading of salt at these out of the way places. Indeed, if a large trade in foreign salt springs up, it will most probably become necessary to close them altogether for all descriptions of goods. At present their chief trade is in salt-fish and country produce of sorts.

12. As I see the Inspector-General of Police has been called to report regarding the preventive service, I need not enter into the question further than to observe that a small force of Police, similar to those now on duty at Cannanore, Tellicherry, Calicut, Beypore, and Ponani, will probably be required at the Badagara and Cochin bonded warehouses.

- * 1 3rd-Class Head Constable.
- 1 1st-Class Constable.
- 1 2nd-Class do.
- 1 3rd-Class do.

Revenue Department, 27th June 1877, No. 2,127.

ENCLOSURE No. 1.

List of Ports and Sub-Ports in the District of Malabar.

No.	Ports.	Sub-Ports.	NUMBER OF HANDS AT THE SUB-PORTS.		Date of Authority constituting each Sub-Port.	Remarks.
			Clerks.	Peons.		
1	Cochin	Attuprom Maddawyi Karkuye Attakuye	1	2	Notification of Government published in the Fort St. George Gazette dated 8th September 1865.	One peon is generally deputed for the transactions at Kotta; but this has not been nominated as a Sub-Port.
2	Chowghaut	...	...	1		
3	Ponani	Velliangode Kuttay	...	1		
4	Tanoor	Paravanna Purpengady	...	1		Since the removal of the Custom House to the new site, in addition to the two peons stationed at the old Custom House, clerks are also deputed when necessary; this too has not been nominated as a Sub-Port.
5	Beypore	Cadulundy	...	1		
6	Calicut	Molankadu Padiangady Elatur	...	2		
		Kapaat	...	1		
7	Quilandy	Kollam Cuddalore	...	1		
		Trekodi	...	1		
8	Badagara	Kottakkal Mutanguel	...	1		
9	Kallai	Chombai	...	1		
10	Tellicherry	Talai Daranapatam	...	1		
		E	...	2		
11	Cannanore	Pudiangaui Valapatnam Etticolum Kavai	...	1		
			...	1		

CALICUT,
15th June 1877.

(Signed) W. LOGAN,
Collector.

Revenue Department, 27th June 1877, No. 2,127.

STATEMENT showing the number of additional hands required for the Sea Customs Establishment when the Salt Establishment will be incorporated with it.

Establishment.	CANANORE.				TELICHERRY.				KALLAR.				BADDAGARA.				QUILANDY.				CALCUT.			
	Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.	
	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
<i>Sea Customs.</i>																								
Superintendents ..	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70
Assistant Superintendents ..	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30
Clerks ..	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25
Do. ..	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20
Do. ..	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Shroffs ..	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10
Peons (at Rs. 6 each) ..	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6
Masalschis ..	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5
Total ..	14	190	18	247	13	175	17	223	6	89	6	89	10	126	15	200	8	80	8	80	15	232	24	258
Increase ..	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40
<i>Salt.</i>																								
Superintendents ..	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70	1	70
Clerks ..	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30
Shroffs ..	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25	1	25
Peons ..	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10
Vettians ..	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5
Total ..	5	67	5	67	5	67	5	67	5	67	5	67	5	67	5	67	5	67	5	67	5	67	5	67
Grand Total ..	19	257	23	314	18	242	22	290	11	148	11	148	15	200	20	267	13	170	13	170	20	267	29	365

STATEMENT showing the number of additional hands required for the Sea Customs Establishment, &c.—(Continued).

Establishment.	BEYPORE.				TANJORE.				PONNANI.				CANNIAUR.				MADURAI.				COCHIN.				Total monthly cost of the existing establishment.		Total monthly cost of the proposed establishment.	
	Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.		Existing.		Proposed.	
	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.	No.	Pay.
<i>Sea Customs.</i>																												
Superintendents ..	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60
Assistant Superintendents ..	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30
Clerks ..	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20
Do. ..	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Shroffs ..	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10
Peons (at Rs. 6 each) ..	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6	1	6
Masalschis ..	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5
Total ..	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63	5	63
Increase ..	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40	1	40
<i>Salt.</i>																												
Superintendents ..	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60	1	60
Clerks ..	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20	1	20
Shroffs ..	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15	1	15
Peons ..	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10
Vettians ..	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5	1	5
Total ..	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110	5	110
Grand Total ..	12	181	13	193	12	181	13	193	12	181	13	193	12	181	13	193	12	181	13	193	12	181	13	193	12	181	13	193

(Signed) W. IOGAN,
Collector.CALCUT,
15th June 1877.

SUBMITTED for the orders of Government with reference to the Government Order quoted.

2. Until some experience of the course of trade under the new system has been gained, it is, of course, impossible to judge how far the establishments at the several ports will require revision; Mr. Logan's proposals, involving an increase of Rs. 112 per mensem, seem very reasonable, and the Board recommend that they be sanctioned as a temporary measure, and that he be authorized to give effect to them from such date as may be necessary, the coast being closed at present.

3. As regards prohibiting the importation of salt from the coast, the Board think, be so far modified.

linking that it is absolutely necessary to maintain at them being quite inadequate.

4. The estimate for the construction of a temporary warehouse at Badagara is sanctioned for execution from general savings under "Petty Construction and Repairs—Salt," and the proposals at paragraph 10 are approved.

(A true Copy and Extract.)

(Signed) C. A. GALTON,
Sub-Secretary.

No. 605.

ORDER THEREON, 27th June 1877, No. 2,127.

Separate Revenue, No. 27.

Salt.

RECORDED pending receipt of similar proposals relating to South Canara, and the report from the Inspector-General of Police alluded to in paragraph 3, G.O., 12th June 1877, No. 1,965, Revenue Department.

(True Extract.)

(Signed) C. G. MASTER,
Secretary to Government.

To the Board of Revenue.
,, the Inspector-General of Police.

Exd. A. F. Goodall.

No. 935.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 6th April 1876.
I read the following letter from W. LOGAN, Esq., Acting Collector of Malabar, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Ponany, 6th March 1876, No. 59-A:—

I HAVE the honor to submit my report called for in Board's Proceedings, No. 2,805, dated 7th October 1875, on the points therein alluded to; and having reference to the introduction of the Salt Excise Act in this district, G. O., Revenue Department, No. 85, dated 21st January 1876, renders it perhaps unnecessary that I should do so; but as the information contained in this letter, which was nearly ready before receipt of the above order, may be of use to the Salt Commissioners, I think it better that it should go. For easy reference, I here note the points on which information is wanted—

- I. The stations to be licensed.
- II. (a) The roads, and
(b) The ports by which salt may be imported.
- III. The scale of establishment required—
(a) For collection of the excise duty.
(b) For preventive purposes.
- IV. Compensation necessary.

2. As I was asked in Board's Proceedings, No. 1,933, dated 13th July 1875, to report my opinion on the general question of the introduction of salt manufacture into the district, and as I have

* Dated 27th January 1876, No. 37. in my letter,* in reply, gone fully into the question raised in Nos. I and IV., I do not consider it will be necessary for me to do more here than recapitulate what I have stated at length in the letter above quoted, viz., that I think no sudden effort should be made to introduce manufacture under the excise licensing system all over the district, but that I consider the Government should inaugurate the manufacture by starting a model salt work on the most approved principles and at the most convenient site, viz., on the Durmapatam river near Tellicherry, and that in process of time all suitable sites should be acquired by Government and rented out to competent private persons for manufactories under the excise system. It only, therefore, remains that I should deal with points Nos. II. and III.

3. The roads referred to are, of course, roads by which salt may be imported into the district from places other than districts within the Presidency of Fort Saint George (Section 13 of the Excise Act); and, as I am not aware of salt being manufactured in any foreign territory adjoining the district, it is unnecessary at least at present to define the land routes for salt traffic.

4. As regard the ports by which salt may be imported, I have already in my letter, No. 324, dated 22nd October 1875, printed in Board's Proceedings, No. 3,033, dated 4th November 1875, stated my opinion that Calicut and Tellicherry, where there are European Officers, should be the only ports at which foreign manufactured salt should be imported. The Board expressed an opinion (paragraph 4 of the same Proceedings) that the proper way to prevent smuggling was not to restrict importation to any particular ports, but to increase the preventive

23-9-11

REVENUE.

THE BOARD OF REVENUE.

G.O. 27th Jan 1876, No. 117

JAN 11

1876

For the purpose of carrying out the provisions of the Salt Excise Act, 1875, the following points are to be considered:—
1. The stations to be licensed.
2. The roads and ports by which salt may be imported.
3. The scale of establishment required.
4. Compensation necessary.

establishment; and, on further consideration, I entirely concur in the Board's opinion with this reservation, however, that until a strong preventive establishment is organized, we must restrict importation of foreign salt to the two ports above named. To convince the Board of this, I do not think I need do more than point out that there have been since the date of my letter above quoted importations of no less than 534 garco of foreign salt chiefly from Dwarka, Damara, and Kutch into the port of Calicut; and, as the duty leviable thereon exceeds considerably a lakh of rupees, it will be seen that the revenue involved is very considerable, so large indeed that if all ports be thrown open our Customs establishment must of necessity at all the minor ports where there is a large demand for salt (as at Ponany) be immediately re-organized. The sale of this foreign salt

*There is a decrease in the sales of 21,200 in Calicut has already very considerably affected the sales from the Government Maunds.

Stores, and if it has done that in Calicut, it is equally certain that it could readily be made to under-sell the Government salt at all the stores on the Coast; indeed, I learn that it pays the merchants to land the salt at Calicut, pay duty on it as required, and then re-export it to the other salt ports of the district where it under-sells the Government salt.

5. While, therefore, I consider it essential only for the present to restrict importation to the two ports, the effect of the order of the Bombay Government requiring prepayment of duty before export, and of the proposed bill for restricting carriage of foreign salt in Indian waters to square rigged vessels of 300 tons and upwards, require to be considered before the question of the strength of the establishment can be dealt with.

6. For it is clear that the Coast trade will not readily adapt itself to the use of 300 ton vessels, such vessels are at present in use here, and, moreover, such a restriction would necessitate the springing up of a regular trade in salt with foreign ports, whereas at present Native craft frequently bring foreign salt not as a cargo, but as ballast with great profit to the shippers. In short there cannot be the lightest doubt that such a restriction would operate in stopping the trade in foreign salt altogether for a very long time, perhaps permanently, and consumers would of necessity have to be content with Bombay or perhaps Eastern Coast salt. Under the circumstances alluded to in paragraph 2, I leave the home manufacture out of the question. Under such circumstances, the preventive establishment need not be large, because all vessels carrying British Indian salt would have reliable port clearances, and all other salt would be on board square rigged 300 ton vessels.

7. But what I wish to bring very prominently to the notice of the Board is, that it would be a gross injustice to the people of this district if they were thus compelled to fall back on Bombay or other equally high priced salt, because as Mr. Webster has already pointed out (Board's Proceedings, No. 3,033, dated 4th November 1874, paragraph 13 of his letter) in the case of South Canara, the entire charge for interest on the outlay of Rupees 1-13-0 per maund of 82½ lbs., from the date on which payment of the duty is made in Bombay to the date (many months subsequently) on which the petty retail shopkeeper here ladles out the salt to the consumer, must of necessity fall on the latter. The extra cost would certainly not

be less than from 10 to 15 per cent. And looking back on the past history of the salt monopoly in this district, I consider that such a result would be most unfair to the people. Every change in the salt tax administration of this district has had but one effect hitherto, viz., increasing the cost of the article to the consumer, and this too in a district where the legislature still professes to respect the principle that a man may do what he likes with his own property, and that he is therefore "at liberty to carry on the manufacture of salt has heretofore." (Section 2, Clause 1, Regulation II., of 1807.

8. Recent experience at Calicut has shown that foreign salt even of inferior quality can under-sell the Government salt on which no duty is levied until it is delivered as required from the store, and it follows *a fortiori* that the high priced Bombay article imported on private account would not stand for a moment in the market if the trade were once made really free, unless, of course, a system of credit could be devised by the Bombay Salt Department that would be satisfactory to the merchants. I very much doubt, however, whether that is practicable, because to be satisfactory to the merchant the credit time allowed must be of sufficient duration to enable him to compete on equal terms with the foreign salt merchant who pays no duty till he clears his salt from the bonded warehouse. The period of credit would therefore have to be at least six months instead of thirty days (as at present) to Coast Ports, and sixty days to Calcutta. I say at least six months, because it is manifest that these Western Coast districts cannot be supplied with sea-borne salt during at least the six months, and a stock must be laid in beforehand sufficient for the consumption of those months. What I should therefore expect to find is that for large transactions no period of credit of less than nine months would satisfy the merchants, and I question much if (even dealing with men of the largest capital) the Bombay Salt Department could satisfactorily arrange terms with them on the above condition.

9. So far as this district is concerned, I entirely approve of the introduction of the Salt Excise Act, though from a Revenue point of view the present system is probably the most economical. The principle at the root of that Act is that all unnecessary restrictions on the manufacture and sale that are not inconsistent with the realization of the Government revenue from this source should be swept away, and I cannot therefore think that such a bill as that proposed for restricting the carriage of foreign salt to square rigged vessels will ever become law. The object apparently kept in view in framing it was to force Bombay or other equally high priced salt on the consumers of these two Western Coast districts, and the effect of the measure would simply be equivalent to a further rise in the duty from Rupees 1-13-0 to Rupees 2 or Rupees 2-2-0 per maund. Looked at in this light, it would be manifestly unfair to the people, who, by the introduction of the Excise Act, would at the same time be deprived of their liberty to manufacture salt for their own consumption. The only proper compensation for depriving them of that privilege would be to introduce real free trade in salt and not merely a semblance of it. When the privilege is withdrawn, we should be able to tell them to go anywhere they choose and obtain their supplies, and not insist by legislation on their procuring them at an increased cost from Bombay.

10. Presuming therefore that *real* free trade in foreign salt will be inaugurated, it remains for me to consider what establishment will be required, (a) to collect the excise duty and (b) to prevent smuggling.

11. If the introduction of salt manufacture into this district proves (as I confidently anticipate) a success, and if, as Dr. Ratton seems to think, there is no reason why the district should not produce sufficient salt for its own consumption, the establishment required for the above two purposes would be almost entirely a shore establishment. As, however, the introduction into this district of scientific salt cultivation has yet to be proved successful, and as it will be easier when organizing the salt works to say what establishment will be required, I propose in this present letter not to deal further with this branch of the present question.

12. It may be pretty certainly concluded that the salt consumed in this district will continue for some years at least to be imported by sea, and the first point for consideration therefore is how the existing establishments would answer the purpose of collecting the duty on imported salt. To enable the Board to ascertain at a glance the approximate extent of the trade which will have to spring up on the Government relinquishing the traffic in salt, I have had the enclosed Statement No. I. prepared showing the sales of salt from each salt store in the district during the last five years. It will be seen that the annual *average* sales amount to 550,267 Indian Maunds; and that the duty on that quantity amounts, when calculated at the present rate of Rupees 1-13-0 per Indian Maund, to no less than Rupees 9,97,357, or, say, in round numbers close upon ten lakhs of rupees. Of this large sum, considerably more than half would have to be collected at the subordinate ports of Beypore and Ponany, and as the Sea Custom establishments

Beypore.		RS.
1 Superintendent	...	30
1 Clerk	...	15
3 Peons, at 6 Rupees	...	18
Total per mensem...	...	63
Ponany.		RS.
1 Superintendent	...	50
2 Clerks, at Rupees 20 and 15	...	35
8 Peons, at Rupees 6	...	48
1 Masalchee	...	5
Total per mensem...	...	138

at those ports at present are as per margin, it will be, I fancy, at once conceded that the shore establishments of Sea Customs and Salt will at least require re-arrangement, and more particularly at the two ports alluded to. I would therefore propose to do away with the present salt store establishments as *separate* establishments, and to constitute the establishments required for supervising the bonded warehouses for salt a branch of the Sea Customs establishments.

13. And again the amount of revenue at stake is so large, and the facilities for smuggling are, as explained in my letter published in Board's Proceedings, No. 3,033, dated 4th November 1875, so great, that, with free trade in salt, it will become absolutely necessary also to organize a strong preventive establishment afloat.

14. To enable the Board, therefore, to judge to what extent the existing Sea Custom, Salt, and Marine establishments are adapted for meeting the additional strain which will be thrown on them by the opening of the salt trade, I have had the enclosed Statements Nos. II. and III. prepared, showing the present strength and local distribution of these establishments, and at the same time the strength

and local distribution of the establishments which, after consultation with those concerned, I consider *absolutely necessary* for the due protection of Government interests.

15. You will observe that, while doing away with the Salt establishments as *separate* establishments, I have incorporated them with the Sea Custom establishments, and the net result is that the re-organized Sea Customs establishments will cost exactly the same as the present Sea Custom and Salt establishments cost together. As, however, I propose to make the Sea Custom Superintendents of Badagara and Ponany also Conservators of their respective ports, their aggregate pay will be Rupees 100 and Rupees 120 per mensem, respectively. The former port is one among the first twelve ports in the Presidency, and I anticipate the springing up of a large trade in salt at it. While Ponany is, as already pointed out, the largest salt-trading port in this district, and the receipts of duty from salt there imported may be expected to reach about Rupees 3,00,000* annually.

* Vide Statement No. I.

16. As regards the preventive establishment afloat, you will observe that I propose to entertain an establishment of seven coast guard boats, each manned by a crew of three boatmen and a serang. This establishment is to be under two Inspectors, and is to be supervised by the Master Attendant at Calicut, at whose service I propose to put a swift steam launch in place of his present boat. This establishment will be a permanent one with the exception of the boatmen, whom I propose at present to entertain for only seven months in each year (November to May). The best of these men would be drafted into the Master Attendant's launch on permanent pay, and rising higher would become serangs of the coast guard boats, and possibly Inspectors on Rupees 50 per mensem. Besides this, I propose to entertain signalling establishments at Cannanore, Badagara, and Ponany where none exist at present, and in enabling the Conservators of those ports to communicate with the coast guard boats while at sea as well as for general shipping purposes. The Master Attendant will also require an extra clerk on Rupees 20 per mensem. The extra establishment proposed will therefore be as follows:—

Permanent.

	RS.
Master Attendant's extra pay as Superintendent	150
2 Conservators, at Rupees 50	100
2 Inspectors, at Rupees 50	100
1 Serang for launch, at Rupees 30	30
7 Serangs for boats, at Rupees 21	147
1 Clerk, at Rupees 20	20
5 Lascars for launch, at Rupees 10	50
3 Extra signalling establishments, at Rupees 22 each	66

Rupees 663 + 12 = 7,956

Temporary.

	RS.
21 Boatmen at Rupees 37	783
Total	9,279
Deduct pay of Master Attendant's present boatmen	57 × 12 = 684
Nett extra cost per annum	8,595

17. I have discussed the details of the above scheme with the Master Attendant at Calicut; he considers that three more boats should be entertained so as to give them about fifteen miles of coast each, instead of something over twenty miles each as now proposed. I consider, however, that, if the men are kept up to their work, each boat should be able to guard about twenty miles of coast, but at the same time I do not think they could properly look after a greater distance. We had some discussion as to the best form of boat, and the Master Attendant recommended Ceylon outriggers, as these boats in our smooth seas can be both rowed and sailed quickly, and they require a much smaller number of boatmen to manage them.

18. In conclusion, I will briefly recapitulate the contents of this report—

I. The question of stations to be licensed under the Salt Excise Act, and the question of compensation required have been dealt with in a separate letter, No. 37, dated 27th January 1876, published in Board's Proceedings, No. 442, dated 15th February last.

II. No land routes for importing salt require to be fixed.

III. I would restrict importation of *foreign salt for the present* to the two ports of Tellicherry and Calicut, but I would throw open the trade without any restriction as soon as,

IV. (a),—the Salt and Sea Customs establishments are re-organized as detailed in statement II., and,

(b),—the Marine establishment is strengthened, as detailed in Statement III.

ENCLOSURES Nos. 1 to 3.—Statements.

Consideration of the measures proposed will be deferred with reference to G. O., dated 1st February 1876, No. 134, pending the result of the investigation of the whole question by the Salt Commission now sitting. A copy of this report, together with copies of correspondence noted in the margin, will be forwarded to the Commissioners.

G. O., dated 1st Nov. 1875, No. 1,553, R. D.	1,779, "
" " 9th Dec. " "	85, "
" " 21st Jan. 1876, " "	134, "
" " 1st Feb. " "	163, "
" " 8th Feb. " "	572, "
Board's Procs., 15th February 1876, No. 442.	
" " 28th " " "	

(A true Copy and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

To the Collector of Malabar.

... the Secretary to Salt Commission, with copies of three statements, and of papers noted in the margin of Proceedings.

Erd. W. J. Lewis.

1876.

Board of Directors,
MADRAS.

PROCEEDINGS, 6TH APRIL 1876, No. 935.

Encl.

Received

A P R I L.
No. 935.

Salt Tax Act VI. of 1871.—Deferring consideration of measures proposed in connection with introduction of — into Malabar District, pending result of investigation of the whole question by the Salt Commission, and forwarding to Commissioners copies of certain correspondence on the subject.

Ms. A. 9. 2 v. 17 p. 10

10

List of Ports and Sub Ports in the District of Malabar

No.	Ports	Sub-Ports	No. of Lines at the Port.	Remarks
1.	Cochin	Attuprom Maddawari Kurkuzh Attakuzh	1 2	One person is generally deputed for the transaction at Kotta; but this has not been nominated as a Sub Port.
2.	Chowghat			
3.	Ponnany	Velliangode Kuttady	1 1	
4.	Tavoor	Paravanna Pumpangady Kadumbudy Molankadu Pudiangady Celatur	1 1 1 2 1 1	Since the removal of the Custom House to the new site, in addition to the two persons stationed at the old Custom House, clerk.
5.	Beyyoor			
6.	Calicut			
7.	Quilandy	Koppara Kollam Lunddalone Trikodi	1 1 1 1	are also deputed when necessary; this too has not been nominated as a Sub Port.
8.	Badagara	Kottakkal Muttanquell.	1 1	
9.	Kallai	Chombai	1	
10.	Tellicherry	Italai Dranapalam Ezharu	1 2 1	
11.	Cannur	Pudiangadi Valapalam Ettimolam Kavai	1 2 1 1	

Malabar Collector's Office
Calicut 15th June 1877

(true copy) (Signed) W. Logan.
Collector.

Secretary.

No 2989. Per Dep.
Proceedings of the Board of Revenue
Dated 23rd June 1877.

Read the following:-

No 153.

From W. Lofan Esquire
Collector of Malabar
Calicut
To: M. S. S. Esquire
Secretary to the
Board of Revenue
Madras.

Sir,

As directed in para 2 of L.O.
no 1577
and the proposals at para 10
are approved.

/ True Copy & Extract /

W. Lofan
Sub-Collector

To The Secretary to Govt.
C.B. with copies of 2
statements.

W. Lofan
Sub-Collector

point the trade in salt will be
diverted. It would now seem certain
that much of the country which used
to be supplied with salt from the District
will now receive its ^{supply} of salt from the
East Coast. It may be that the establish-
ment now proposed for Bepore will be
greatly in excess of what is required,
because Bepore is not itself a place
of great trade and because the merchants
who will send off salt from Bepore
will be men settled permanently in Cali-
cut. These men naturally like to have
their warehouses near their places of
business and are not likely to make much
use of the Bepore Bonded warehouse
unless when there is an equality

4. You will observe that at all
the warehousing ports, I have provided
an Assistant Superintendent of Customs,
whose special work it will be to look
after the salt traders and bonded
warehouses. I propose to give him Rs 20.
The work of course goes generally under
the orders of the Superintendent at the
Port. I have also provided for increase
to the pay of the Superintendents
themselves at Badagara, Calicut and
Ponani whose work will be greatly
increased. If the Badagara and Ponani
men were appointed Post Conservators
(as proposed in my former letter) the increase
now asked for for them would not be
required. The Calicut Superintendents
Revenue Department dated 1st May 1876
have the honor to submit a statement
of the establishment which it will be neces-
sary to maintain at the several ports
when the Salt Excise Act is introduced.

2. This statement differs slightly
from that submitted with my letter
published with Board's Proceedings dated
6th April 1876, No 935 and it will entail
an additional monthly charge of Rs 112,
but I am of opinion that the Estab-
lishment now detailed should be
sanctioned.

3. The fact is, it is very difficult to
say in what direction or to what
point

immediately at hand, I propose to employ a Sheriff at Rs 15 for checking payments. At all the warehousing Ports, I also propose to have a writer at Rs 7. At Calicut, I propose to have two writers. It may be found necessary to increase this last mentioned portion of the Establishment.

The number of Peons must be considered as only tentatively, because of a large trade at Calicut. Then again, Ponaric used to send large quantities of salt into the interior and it seems likely that a large trade in salt will be developed owing to the facilities of water communication. The Establishment then may require to be even further strengthened. In short the trade must be carefully watched and modifications made if necessary in the proposed Establishment. Meanwhile, the Statement now forwarded provides for all contingencies that I can at present think of.

Yours

		Existing		Proposed	
		No	Monthly Pay	No	Monthly Pay
Sea Customs	Superintendents	7	490	8	590
	Asst. Superintendents	4	110	10	385
	Peons and Sheriffs	21	200	29	210
	Peons	79	471	102	611
Total		111	1451	149	2057
Salt	Superintendents	7	265	-	-
	Clerks and Sheriffs	7	105	-	-
	Peons	21	118	-	-

it caused by these new arrangements seems to entitle him to an increase in pay.

At the minor Ports of Quilnour, Tanur and Chingach, I propose to give the present Assistant Superintendents Rs 35 each. Small increases in consideration of the increased responsibility that will be thrown on them.

b. At all the warehousing Ports where there is no Treasury

immediately

will for the present at any rate
 serve as bonded warehouses. A ware-
 house to hold say 100 fardes will
 be required at Badafara. I
 propose to make it of temporary
 materials similar to those at Cania-
 more and Fonani. An estimate
 amounting to Rs 486. 1. 7 is
 enclosed. The annual repairs of
 the building will not exceed what
 is now spent on Salt stores viz
 about Rs 2,300 which is the average

in Foreign Salt Springs up, it
 will become necessary largely to
 augment their numbers. One man
 at least will be required to
 put on board every Foreign Ship
 that arrives.

8. The following is a sum-
 mary of the existing and
 proposed establishments.

much required. The present
 office is held in a miserable
 little shop. A former one was,
 I was told, swept away by a
 flood in the river. The ware-
 house maybe retained for a
 time, as it may come in use-
 ful should the manufacture
 of salt be seriously taken up in
 this neighbourhood, where it has

Total	35	488	-	-
Grand Total	146	1987	149	2057
Net Surplus			3	112

9. The warehouses now existing at

1. Kannanur
2. Tellicherry
3. Calicut
4. Payport
5. Ponani
6. Cochin

will

each principal Port in this district with the number of employees at each. It will be absolutely necessary to protect the landing of salt at these out-of-the-way places. Indeed, if a large trade in Foreign salt springs up, it will most probably become necessary to close them altogether.

2nd 11th of 18th of goods of the last three years.

10. There are at present warehouses at Chouffat and Madilafam. The former cannot be used as a Sea Custom House as it is not properly situated for the purpose. A Sea Custom House at that place is much

similar to those now on duty at

1. 3rd Class Head Constable stable Camanore, Tellicherry
 1. 1st Class Constable Calicut, Beypore and
 1. 2nd Class do. — Ponani will probably
 1. 3rd Class do. — be required at the
 Badagara and Cochin bonded
 warehouses.
 Malabar Affairs office }
 Calicut }
 15th June 1877 }
 I have &c.
 P. W. Lofan
 Collector

Submitted for the
 an excellent chance of success.
 I propose to pull down or other
 or to dispose of the ware house
 at Madilafam.

11. As promised in my
 telegram dated 5th Instant, with
 reference to Board's Proceeding
 dated 30th May 1877 &c. 1875, I
 have the honor to send list
 of the Sub Ports attached to each

involving an increase of Rs. 112
per mensem, seems very
reasonable and the
Board recommend
that they be sanctioned
as a temporary mea-
sure and that he be
authorized to give effect
therefrom such date
as present their chief trade
is in salt fish and country pro-
duce of sorts.

12. As I see the Inspector
General of Police has been called
to report regarding the preventive
service, I need not enter into the
question, further than to observe
that a small force of Police
similar

16.
at them being quite inadequate
for the purpose. The notification
recently issued should, the Board
think, be so far modified.

4. The estimate for the
construction of a temporary
warehouse at Badajon is
sanctioned for expenditure from
General Savings, under "Petty
Construction & Repairs" salt."

Statement showing the number of additional hands required for the New Customs Establishment when the Old Establishment will be incorporated

[illegible]

Malabar Collectors Office }
Calicut 15 June 1877 }

True Copy!

Prof. W. Logan
Collector

Cal, c. 10
Out. Summary