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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No.	3285	Press.
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Not to be folded or roughly handled

GOVERNMENT OF MADRAS.
REVENUE DEPARTMENT.

21st November 1877, No. 3,227.

Read the following paper :—

No. 216. Proceedings of the Board of Revenue, dated 9th October 1877, No. 4,693.

Read the following Proceedings of the Madras Government, dated 5th September 1877, No. 2,650, Revenue Department :—

ABSTRACT.—*Pooree Kurkutch Salt*.—Communicating to the Board of Revenue for remarks letter from the Government of India relating to the reduction of duty on —.

Real also the following :—

No. 422.

OFFICIAL MEMORANDUM.

THE undersigned is directed to request that the Board of Revenue will expedite their reply to G.O., 5th September 1877, No. 2,650. If communication with Ganjam is considered necessary it might be carried out by telegraph.

5th Sep.

Government, R.D.

THE letter from the Government of India, embodied in the foregoing order first decides that to save the Pooree manufacturers from ruin and to avoid financial loss (of what kind is not stated exactly), it is necessary to raise the price of Ganjam salt by 2 Annas per maund; and that to avoid the disastrous effects of the rise of price at Itchapur, it is necessary to raise the price at Nowpada. The final proposals

	Monopoly.			Excise.		
	RS.	A.	P.	RS.	A.	P.
Ganjam	2	6	0	2	4	0
Itchapur	2	4	0	2	2	0
	2	3	0	2	1	0
Nowpada	2	2	0	2	0	0
	2	1	0	1	15	0
Womeravilly	2	0	0	1	14	0

however raise the prices at Itchapur and possibly at Womeravilly also; and the option is given to Government of adopting certain rates of monopoly price, or of introducing the excise system with excise rates 2 Annas lower than the monopoly prices.

2. The Board venture to record their earnest protest against the proposed measure as both unnecessary and unjust to the inhabitants of Ganjam. As to necessity,

although it is admitted that the Pooree Kurkutch is at present unduly weighted in respect of taxation, and that the duties on it and on the salt of the Ganjam station which competes with it ought to be equalized, this equalization can be effected as well by a lowering of the Pooree duty as by an enhancement of that at Ganjam. The Government of India adopt the latter course, and find themselves driven to propose also increase further south, since it is clear that to raise the rate at Ganjam only would simply drive the traders to Itchapur, Nowpada, and Womeravilly. The salts of these stations would encroach each on the other as the increased rates were extended southwards; and if Ganjam prices were raised and the others left as at present, the return grain carts from Orissa would fill up at the more southern stations. This return

traffic has a great deal to do with the increased consumption of Ganjam salt in Orissa. The reason assigned however is the necessity of averting the effect of existing rates on the Itchapur salt sales, which the Board have characterized as "disastrous," but as shown further on the retention of this station is not a question of much importance, and the Government of India have misapprehended the Board's meaning in supposing that the effect of the enhancement of price at Itchapur was adduced as the main argument against further enhancement of price. The real ground of objection was the injustice of protecting the Pooree manufacture at the expense of Ganjam (*vide* Board's Proceedings, dated 13th June 1877, No. 2,742, which does not appear to have been forwarded to the Government of India), and the results at Itchapur were pointed to as justifying the Board's apprehension that the Ganjam manufacturers and people would suffer.

The injustice of the proposal is obvious. To save an industry on which a few thousands of persons depend in Pooree (the whole population of the salt-producing tract on the Chilka is only 16,073) it is proposed to impose enhanced taxation on a population consuming on the average of five years ending Fashi 1284, 772,371 maunds. This increased taxation will, at the rates proposed amount to Rupees 92,686.5 per annum on this quantity, but the sales have since increased.

	IN. MDS.	RS.
Ganjam ...	178,557 at 2 As.	= 22,319.6
Itchapur ...	123,932 at 1 "	= 7,745.7
Nowpada ...	266,029 at 3 "	= 49,880.4
Womera-villy ...	203,853 at 1 "	= 12,740.8
Total ...		92,686.5

4. The financial loss which the Government of India wish to avoid is, it is presumed, the excess duty on the Pooree Karkutch displaced. But no such loss of Karkutch has been consumed; and the consumers have been able to eat more salt. From a statement which the Board find among the records of the Salt Commission on this point, the following figures are taken. The revenue in Orissa, Ganjam, Nagpore line was as follows:

1870-71 ...	27,52,780
1871-72 ...	20,52,679
1872-73 ...	30,79,384
1873-74 ...	34,13,685
1874-75 { April ...	1,11,283
{ May to ...	30,43,630
{ March ...	31,54,813
1875-76 ...	35,02,552

The change was made from the end of April 1874.

Thus the revenue had more than recovered within the second year. The above should, strictly speaking, be considered in connection with the mileage duties on the Nagpore line, which possibly show a falling off and as to which the Board have no information. But very similar results are obtained for smaller areas coinciding more nearly with that under discussion. Thus—

	Pooree Karkutch (Rupees 2-4 zone) and Ganjam District.	Pooree Karkutch and Ganjam Division.
1870-71...	19,69,104	8,70,196
1871-72...	22,11,841	8,59,202
1872-73...	21,15,753	9,91,567
1873-74...	23,41,538	10,72,928
1874-75...	20,65,525	8,54,633
1875-76...	22,50,184	9,06,001

These figures are at any rate enough to show that the existence of financial loss from the displacement of Pooree Karkutch requires further proof.

5. As to loss owing to the temporary cessation of sales at Itchapur, the consideration is a very trifling one. New salt has not been made, and all that has happened is that the old salt has remained unsold. Every grain of it will however be disposed of this year now that stocks have fallen short in Ganjam. The station is probably one of those which will be closed in carrying out the concentration of works recommended by the Salt Commission, and its being kept open is not of importance sufficient to warrant the increase of price at Nowpada and Womera-villy.

6. On the other hand, the equalization of duty between Ganjam salt and Pooree Karkutch might be effected without danger of the Pooree salt penetrating further north, since there is a well-defined limit beyond which the people eat only ponga or boiled salt. That which pays Rupees 2-7-0 now is all boiled at a cost of from 14 Annas to a Rupee a maund.

7. On the foregoing grounds the Board strongly advocate the reduction of the Pooree duty to Rupees 2-1-0 per maund as the best way of giving the relief which it is considered necessary to afford. The equalization of the duty was the course recommended after personal enquiry on the spot by the Salt Commissioners, and is acquiesced in by the Board as equitable; it is to be observed that all intention of fostering the Orissa manufacture by protective measures was expressly disclaimed by the Bengal Board of Revenue in the letter embodied in G.O., dated 28th November 1876, No. 1,830, and the Board regret to find that a different policy is now contemplated. The assignment of an additional grant to Provincial Services of Rupees 20,000 annually for local expenditure in Ganjam to compensate for the enhancement of duty in 1874 was a sufficient admission of the hardship involved; but on the present occasion no allusion is made to this grant, and no promise of any similar recompense to mitigate the burden is held out, though the increased taxation proposed is heavier than was then the case.

8. The idea of introducing the excise system at once in the Ganjam District is out of the question, and is opposed to the recommendation of the Salt Commission.

... salt famine in Ganjam.

(A true Extract.)

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

No. 217. ORDER THEREON, 21st November 1877, No. 3,285.

Separate Revenue, No. 23.

Salt.

HIS GRACE the Governor in Council fully concurs with the Board, and the Government of India will be addressed accordingly.

(True Extract.)

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

To the Board of Revenue.

Exd. F. R. Bantleman.

No. 4,693.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 19th October 1877.

Read the following Proceedings of the Madras Government, dated 5th September 1877, No. 2,650, Revenue Department.

ABSTRACT.—*Poorce Kurkutch Salt*.—Communicating to the Board of Revenue for remarks letter from the Government of India relating to the reduction of duty on —.

Read also the following:—

No. 422.

OFFICIAL MEMORANDUM.

THE undersigned is directed to request that the Board of Revenue will expedite their reply to G.O., 5th September 1877, No. 2,650. If communication with Ganjam is considered necessary it might be carried out by telegraph.

FORT ST. GEORGE,
25th September 1877.

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

THE letter from the Government of India, embodied in the foregoing order first decides that to save the Poorce manufacturers from ruin and to avoid financial loss (of what kind is not stated exactly), it is necessary to raise the price of Ganjam salt by 2 Annas per maund; and that to avoid the disastrous effects of the rise of price at Itchapur, it is necessary to raise the price at Nowpada. The final proposals

	Monopoly.			Excise.		
	RS.	A.	P.	RS.	A.	P.
Ganjam	2	6	0	2	4	0
Itchapur	2	4	0	2	2	0
Nowpada	2	3	0	2	1	0
	or			or		
Womeravilly	2	2	0	2	0	0
	or			or		
	2	1	0	1	15	0
	2	0	0	1	14	0

however raise the prices at Itchapur and possibly at Womeravilly also; and the option is given to Government of adopting certain rates of monopoly price, or of introducing the excise system with excise rates 2 Annas lower than the monopoly prices.

2. The Board venture to record their earnest protest against the proposed measure as both unnecessary and unjust to the inhabitants of Ganjam. As to necessity,

although it is admitted that the Poorce Kurkutch is at present unduly weighted in respect of taxation, and that the duties on it and on the salt of the Ganjam station which competes with it ought to be equalized, this equalization can be effected as well by a lowering of the Poorce duty as by an enhancement of that at Ganjam. The Government of India adopt the latter course, and find themselves driven to propose also increase further south, since it is clear that to raise the rate at Ganjam only would simply drive the traders to Itchapur, Nowpada, and Womeravilly. The salts of these stations would encroach each on the other as the increased rates were extended southwards; and if Ganjam prices were raised and the others left as at present, the return grain carts from Orissa would fill up at the more southern stations. This return traffic has a great deal to do with the increased consumption of Ganjam salt in Orissa. The reason assigned however is the necessity of averting the effect of existing rates on

the Itchapur salt sales, which the Board have characterized as "disastrous," but as shown further on the retention of this station is not a question of much importance, and the Government of India have misapprehended the Board's meaning in supposing that the effect of the enhancement of price at Itchapur was adduced as the main argument against further enhancement at Ganjam; the real ground of objection was the injustice of protecting the Pooree manufacture at the expense of Ganjam (vide Board's Proceedings dated 13th June 1877, No. 2,748, which does not appear to have been forwarded to the Government of India), and the results at Itchapur were pointed to as justifying the Board's apprehension that the Ganjam manufacturers and people would suffer.

3. The injustice of the proposal is obvious. To save an industry on which a few thousands of persons depend in Pooree (the whole population of the salt-producing tract on the Chilka is only 16,073) it is proposed to impose enhanced taxation on a population consuming on the average of five years ending Fashi 1284, 772,371 maunds. This increased taxation will, at the rates proposed amount to Rupees 92,686.5 per annum on this quantity, but the sales have since increased.

	14. MDS.	RS.
Ganjam ...	178,557 at 2 As. =	22,319.6
Itchapur ...	123,932 at 1 " =	7,745.7
Nowpada ...	266,029 at 3 " =	49,880.4
Womera-villy ...	203,853 at 1 " =	2,740.8
Total ...		2,686.5

4. The financial loss which the Government of India wish to avoid is, it is presumed, the excess duty on the Pooree Kurkutch displaced. But no such loss of revenue has accrued, since a greater quantity of the cheaper salt has been consumed; i.e., the revenue has not suffered by the graduated duties, and the consumers have been able to eat more salt. From a statement which the Board find among the records of the Salt Commission on this point, the following figures are taken. The revenue in Orissa, Ganjam, and Vizagapatam (the Coast tracts supplying the country above the customs line where the Rupees 3 and Rupees 5-4-0 per maund duties were revised) for six years was as follows:—

	RS.
1870-71 ...	27,52,780
1871-72 ...	29,52,679
1872-73 ...	30,79,384
1873-74 ...	34,13,685
1874-75 { April ... 1,11,283	
{ May to ... 30,43,630	
{ March ...	
1875-76 ...	31,54,813
... ..	35,02,552

Thus the revenue had more than recovered within the second year. The above should, strictly speaking, be considered in connection with the mileage duties on the Nagpore line, which possibly show a falling off and as to which the Board have no information. But very similar results are obtained for smaller areas coinciding nearly with that under discussion. Thus—

	Pooree Kurkutch (Rupees 2-4-0 zone) and Ganjam District.	Pooree Kurkutch and Ganjam Station.
	RS.	RS.
1870-71 ...	19,63,164	3,73,195
1871-72 ...	22,11,844	8,59,202
1872-73 ...	21,15,753	9,91,567
1873-74 ...	23,41,538	10,72,928
1874-75 ...	20,65,525	8,54,633
1875-76 ...	22,50,184	9,06,601

These figures are at any rate enough to show that the existence of financial loss from the displacement of Pooree Kurkutch requires further proof.

5. As to loss owing to the temporary cessation of sales at Itchapur, the consideration is a very trifling one. New salt has not been made, and all that has happened is that the old salt has remained unsold. Every grain of it will however be

disposed of this year now that stocks have fallen short in Ganjam. The station is probably one of those which will be closed in carrying out the concentration of works recommended by the Salt Commission and its being kept open is not of importance sufficient to warrant the increase of price at Nowpada and Womeravilly.

6. On the other hand, the equalization of duty between Ganjam salt and Pooree Kurkutch might be effected without danger of the Pooree salt penetrating further north, since there is a well-defined limit beyond which the people eat ponga or boiled salt. That which pays Rupees 2-7-0 now is all boiled at a cost of from 14 Annas to a Rupee a maund.

On the foregoing grounds the Board strongly advocate the reduction of the Pooree duty to Rupees 2-1-0 per maund, the best way of giving the relief which it is considered necessary to afford. The equalization of the duty was the course recommended after personal enquiry on the spot by the Salt Commissioners, and is acquiesced in by the Board as equitable; it is to be observed that all intention of fostering the Orissa manufacture by protective measures was expressly disclaimed by the Bengal Board of Revenue in the letter embodied in G.O., dated 28th November 1876, No. 1,830, and the Board regret to find that a different policy is now contemplated. The assignment of an additional grant to Provincial Services of Rupees 20,000 annually for local expenditure in Ganjam to compensate for the enhancement of duty in 1874 was a sufficient admission of the hardship involved; but on the present occasion no allusion is made to this grant, and no promise of any similar recompense to mitigate the burden is held out, though the increased taxation proposed is heavier than was then the case.

8. The idea of introducing the excise system at once in the Ganjam District is out of the question, and is opposed to the recommendation of the Salt Commission. The law must be revised, a Collector of Salt Revenue appointed, numerous points discussed and settled, and the new system got into working order in more favorable localities before this can be done. A sudden change now would probably lead to a salt famine in Ganjam.

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

To the Secretary to Government, Revenue Department.
Copy to the Collector of Ganjam, with copy of Government Order.

Exd. W. J. Lewis.

1873. Revenue Department,
Proceedings of the Board of Revenue,
Dated 9th October 1877

Read Government Order
dated 5th September 1877 No. 2650
Communicating letter from the Government
of India relating to the reduction
of duty on Poore Kurkutah Salt.

Read also Memo. from
Government of 25th September 1877
No. 422 requesting to expedite the
Board's reply.

The letter from the Govt of India
embodied in the foregoing order
first decides that to save the
Poore manufacturers from ruin
& to avoid financial loss (of
what kind is not stated exactly)
it is necessary to raise the price
of Ganjam Salt by 2 annas
per maund; & that to avoid
the disastrous effects of the rise
of price at Ichapur, it is

1877.
Board of Revenue,
MADRAS.

RECEIVED, 9TH OCTOBER 1877, No. 4,693.

Encl.

OCTOBER.
No. 4,693.

Poore Kurkutah Salt.—Submitting Resolutions with reference to letter from Government of India relative to proposed reduction of duty on —, and stating that the idea of introducing the excise system at once in Ganjam District is opposed to the recommendation of the Salt Commission.

Necessary to raise the price at
Nowpada. The final proposals
however, raise the prices at Ichapur
& possibly at Womeravilly also;
& the option is given to Government
of adopting certain rates of
monopoly price or of introducing
the Excise system

with Excise rates
2. Amhas lower than
the monopoly prices.

	Monopoly	Excise
Ganjam	2-6-0	2-4-0
Ichapur	2-4-0	2-2-0
Nowpada	2-3-0	2-1-0
	2-2-0	2-0-0
Womeravilly	2-1-0	1-15-0
	2-0-0	1-14-0

2. The Board venture to record
their earnest protest against
the proposed measure, as both
unnecessary & unjust to the
inhabitants of Ganjam. As
to necessity, although it is admitted
that the Poorce Kurkatch is
at present unduly weighted
in respect of taxation & that the
duties on it & on the Salt of the
Ganjam Station which competes

with it might be equalized;
this equalization can be effected
as well by a lowering of the
Poorce duty as by an enhancement
of that at Ganjam. The Commis-
sioners of India adopt the latter
course, & find themselves driven
to propose also increase further
South. Since it is clear that to
raise the rate at Ganjam only
would simply drive the trade
to Ichapur Nowpada & Womeravilly.
The Salts of these Stations would
encroach each on the other &
the increased rates were extended
Southwards. & if Ganjam prices
were raised & the others left
as at present, the return from
Cart from Orissa would fall
up at the non Southern Stations.
This return traffic has a great
deal to do with the increased

Consumption of Ganjam Salt
in Orissa. The reason assigned,
however, is the necessity of
averting the effect of existing
rates on the Ichhapur Salt
sales which the Board have
characterized as "disastrous".
but as shown further on the situation
of this station is not a question
of much importance & the
Government of India have
disapprehended the Board's
meaning in supposing that
the effect of the enhancement
of price at Ichhapur was
adduced as the main argument
against further enhancement
at Ganjam; the real ground
of objection was the injustice
of protecting the Poore Manufacturers
at the expense of Ganjam
vide

(vide Board's Proceedings of 13th as
June 1897 No. 2 of 48 which does
not appear to have been forwarded
to the Government of India) & the
results at Ichhapur were
pointed to as justifying the
Board's apprehension that
the Ganjam Manufacturers
& people would suffer.

3. The injustice of the proposal
is obvious. To have an industry
on which a few thousands of
persons depend in Poore (the
whole population of the Salt
producing tract on the Chilka
is only 16073) it is proposed to
impose ~~enhanced~~ ^{enhanced} taxation on a
population consuming on the
average of 5 years ending 7/1284
772371 maunds. This increased
taxation will at the rates proposed
Amount

Amount to Rs 92686.5

Maximum on this

quantity but the sales

have since increased.

Ind. Re
Ganjam 178557 @ 2as = 22319.6
Schapu 123932 @ 1a = 7745.7
Nimpada 266029 @ 3as = 49880.4
Komerinik 203853 @ 1a = 12740.8
92686.5

4. A financial loss which the Government of India wish to avoid, as it is presumed the excess duties on the Poore Kurkatch displaced Port no such loss of revenue has accrued; since a greater quantity of the Cheaper Salt has been consumed; and the revenue has not suffered by the graduated duties and the Consumers have been able to eat more Salt. From a statement which the Board find among the records of the Salt Commission on this point the following figures are taken: The revenue in Orissa, Ganjam & Vizagapatam (the waste tracts supplying the Country above the Customs line when the Rs 3 & Rs 3-4-0 per hundred duties

were revised for 6 years was as follows:

Re
1870-1 2752780
1871-2 2952679
1872-3 3079382
1873-4 3413685
1874-5 April 111283
May to which 3043630
3154813
1875-6 3502552

The change was made from the end of April 1874

Thus the revenue had more than recovered within the second year. The above should strictly speaking be considered in connection with the Kurkatch duties on the Nagpore line which possibly show a falling off & as to which the Board have no information. But very similar results are obtained for smaller areas, including more nearly with that under discussion. Thus

	Poore Kurkatch (Rs 2-4-0 2as) & Ganjam &c	Poore Kurkatch & Ganjam Stations
1870-1	1969164	870196
1871-2	2211844	859202
1872-3	2115753	991567
1873-4	2341558	1072928
1874-5	2065525	854683
1875-6	2250184	906601

These figures are at any rate enough
to show that the existence of financial
loss from the displacement of some
Karkateh requires further proof.
5. As to loss arising to the temporary
cessation of sale at Ichapur
the consideration is a very trifling
one. New salt has not been made
& all that has happened is
that the old salt has remained
unsold. Every grain of it will
however be disposed of this year
now that stocks have fallen
short in Ganjam. The station
is probably one of those which
will be closed in carrying out
the concentration of works recom-
mended by the Salt Commission
& its being kept open is not of
importance & sufficient to warrant
the increase of price at Nimpada
& Wameravilly.

On

6. On the other hand the equalization
of duty between Ganjam salt
& some Karkateh might be
effected without danger of the
some salt fluctuating further
in price, since there is a well-defined
limit beyond which the people
eat only pump or boiled salt,
that which pays Rs. 2 1/2 now is
all boiled at a cost of from 14a
to a rupee a maund.

7. On the foregoing grounds the
Board strongly advocate the
reduction of the some duty to
Rs. 2-1 per maund as the best
way of giving the relief which
it is considered necessary to
afford. The equalization of the
duties was the course recom-
mended after personal enquiry
on the spot by the Salt Commission
& is acquiesced in by the Board
as equitable; it is to be observed

that all intention of fostering
the Orissa Manufacture by
protective measures which
expressly disclaimed by the
Bengal Board of Revenue in
the letter embodied in G.O. of
28th November 1896 No 1830 & the
Board report to find that a
different policy is now contemplated.
The assignment of an additional
grant to Provincial Services of
Rs. 20,000 annually for local expenditure
in Ganjam to compensate for the
enhancement of duty in 1894 was
a sufficient admission of the
hardship involved but on the
present occasion no allusion
is made to this grant & no
promise of any similar recompense
to mitigate the burden is held out,
though the increased taxation proposed
is heavier than was then the case.
8. The idea of introducing

the Excise System at once in the
Ganjam District is out of the
question & is opposed to the
recommendation of the Salt
Commission. The Law must be
revised, a collector of Salt Revenue
appointed, numerous points
discussed & settled, & the new
system got into working order
in those favourable localities
before this can be done. A sudden
change now would first & last
lead to a Salt famine in Ganjam.
(True Extract)

W. C. S.
Sub-Secretary

To
The Secretary to Government R.O.

The treaty with
the U.S. in connection with
the new navigation
treaty of 1892
to the U.S. alternative
proposals for the
improvement of
Ganghwa Is. in order
to protect Korea
the in front of the
Japanese in the
of the question.

but at the former Mr.
 L. advised S. H. 2.
 - That the Gt. argued after
 so large a reduction -
 but admitting an inequality
 would be there. Suggests the
 equalisation of profits
 by reduction of the
 Gt. rate to 1.0.5
 S. the Gt. approved.
 but protested against reduction
 below existing in the Gt. rate
 or an increase of the
 Gt. rate.
 - That the Gt. now come
 to the conclusion to
 reduce the Gt. rate and
 then below the Gt. rate
 but the Gt. will
 the Gt. rate by

