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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No. 957A. Press Mis.
B.P. No.

Dated 6.3.1877. 1 DT.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
6th March 1877.

Famine Relief.

No. 195-A. Read the following Proceedings of the Board of Revenue, dated 2nd February 1877, No. 418 :—

Read the following letter from W. S. WHITESIDE, Esq., Collector of North Arcot, to H. F. STOKES, Esq., Acting Secretary to the Board of Revenue, dated Vellore, 26th January 1877, No. 52 :—

For some time past my anxious attention has been directed to the unsatisfactory manner in which the local bazaarmen have been supplying grain to our relief coolies. In their retail sales these petty traders, especially in remote outlying villages, are in the habit of charging exorbitant rates, and the coolies are perforce compelled to make the best bargain they can with them as there is no competition; very frequently the dealers do not choose to keep enough grain in stock to supply the local demands, and thus the work-people are often put to great straits.

2. I therefore am extremely desirous to provide some remedy for this unsatisfactory state of things, and, in order that our relief coolies may be assured of regular and cheap supplies of grain while employed on the works, I propose, if the Board and Government have no objection, to employ two Native Contractors who will sell grain to the coolies employed throughout the district on the works on either side of the North-West and South-West Lines of the Madras Railway. Rao Bahadur Doss Naidu, respectable Grain Merchant at Perungalatur (Up-Line Railway Station), and A. Raghava Chetty, a wealthy and well known Railway Contractor at Trivellum Station, have undertaken to supply, week by week, the required quantity of grain for our relief coolies, the former taking the North-West and the latter the South-West Lines.

3. The terms under which the contract is proposed to be entered into are generally as follow :—

I.—That I make a fortnightly indent upon them for the quantity of grain that may be required for consumption by the coolies employed on relief works.

II.—That the Contractors out of their own funds shall purchase the said quantity of grain in Madras and make their own arrangements to bring and sell the same at each relief work, having previously stored it in certain central depots to be selected by me.

III.—That I shall provide them with the necessary Police to escort the grain from the Railway Stations to the depots, and again from the latter to the places where works are in progress to guard it at night and while sales are going on.

IV.—That every fortnight the Contractor shall send me a bill, with original vouchers, showing exactly the price he carriage him by railway and carts, the establishment and other contingent charges on the quantity of grain brought up by him for relief works.

V.—That thereupon the Government shall pay him a certain percentage to cover interest on the money laid out in this business and as profits for the trouble and responsibility accepted by the Contractor.

4. The Contractors entertain apprehensions that the local merchants, when they find strangers thus interfering with the trade they have hitherto monopolized to their own advantage, will endeavour to undersell them for a few days

No. 195-B. ORDER THEREON, 6th March 1877, No. 957-A.

Miscellaneous.

The Government fully concur with the Board in declining Mr. Whiteside's proposals.

(True Extract.)

(Signed) J. H. GARSTIN,
Additional Secretary to Government.

To the Board of Revenue.
" the Financial Department.

[illegible] and another will tend to deter and prevent them from availing themselves of the grain brought for sale by the Contractors, and to a certain extent this will undoubtedly be the case; but I have little doubt that the ryots will readily resort to the Contractors for the grain they may have imported, and officers in charge of relief works will be competent to advise plainly on these the advisability of doing so, and their action would be comparatively small in comparison with

5. Mr. Whiteside Doss Nadi says that he may be allowed a commission of 5 per cent. on the actual value of grain (including all consequent expenses) he brings to the relief works under the above system. I think that rate of profit is not too small, and I recommend it, considering the amount of capital he will have to invest in this business, and the very great responsibility and trouble he will have to undertake.

6. I have the honour to request that the Board of Revenue will be good enough to examine the proposals I have now made, and pass such orders as may seem best to them. There can be no doubt but that by the introduction of this system, relief centres will be far better than they now do with their scanty and irregular allowance at the hands of the grudging, sometimes local grain-dealers.

7. Mr. Whiteside Chetty has not yet stated to me the exact terms of his proposed agency, but I am aware that they will be very similar to those of Balakistna Chetty, referred to in my Letter No. [illegible] dated 4th January last. I will report further on the point.

8. In reply to the Board's Proceedings above noted, of date the 6th instant, I have the honour to say, that I am unable to support the Collector's proposal. There is no guarantee that the Contractors would sell at rates lower than the local traders, and the terms of their arrangements for supply, which would most probably occur somewhere in Salem, would be [illegible] after the local trade had been annihilated by their operations to the manner proposed. The assistance to be given to the Contractors in the shape of police guards and commission would be a manifest burden to the trade, and would form such a heavy item of charge that enhanced rates to the people would probably to a greater extent. The proposal appears to me to involve the creation of private monopolies, and as to the prices to be charged by the Contractors which are to be ostensibly the actual cost, *plus* 5 per cent., the Collectors remark that the Contractors would be having no sufficient means of ascertaining the actual cost. The very moderation of the commission asked for shows that it is in fact the intention that the Contractor would look for his profit.

9. I would be opposed to Government interference in any shape except perhaps in districts where private trade does not reach and where prices rule so high that it becomes necessary to have recourse to grain payments. This is not at present the case in North Arcot.

(A true Copy and Extract.)

(Signed) F. E. STOKES,
Acting Secretary.



