M.R.O. 1—20,002—12-8-65.

(1) Number of Pages 18

(2) Date of repair 7-8-69

(3) Initials of the Referencer

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. / B.P. No.	1830	Press / Mis.

Dated 28-11-1876. 196 .

Not to be folded or roughly handled

No. 529 Read the following letter from C. J. LYALL, Esq., Under-Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce (Customs, Inland,) to the Hon. D. F. CARMICHAEL, Secretary to the Government of Madras, Revenue Department, dated Simla, 4th November 1876 No. 312:—

WITH reference to my letter, No. 32, dated the 26th January 1876, I am directed to forward, for any remarks the Government of Madras may have to make thereon, copy of a letter* from the Government of Bengal on the subject of the proposed reduction of duty on Pooree *Kurkutch* from Rs. 2-4-0 to Rs. 2 per maund. I am to remark that your letter, No. 1,835, dated the 22nd December 1875, will be considered on receipt of a reply to this communication, which I am to request may be forwarded at as early a date as practicable.

* No. 780, dated the 17th March 1876, and enclosures.

ENCLOSURE No. 2.

From J. A. BOURDILLON, Esq., Acting Assistant Secretary to the Government of Bengal, to the Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, dated Calcutta, 17th March 1876, No. 780, Mis. Rev.

IN reply to your letter, No. 323, dated the 14th October 1875, on the subject of salt manufacture in the district of Poorce, I am directed to submit, for the consideration of the Government of India, the accompanying copy of a report (No. 124B, dated 21st February 1876, with enclosures) from the Board of Revenue, and to say that it appears to the Lieutenant-Governor that sufficient grounds have been shown by the Board for the proposed reduction of duty on Poorce Kurkutch from Rs. 2-4-0 to Rs. 2 per maund.

From W. H. GRIMLEY, Esq., Officiating Secretary to the Board of Revenue, L.P., to the Secretary to the Government of Bengal, Revenue Department, dated Fort William, 21st February 1876, No. 124B.

WITH reference to paragraph 2 of Government Order, No. 2,708, dated 17th November 1875, and its enclosures, I am directed to reply as follows.

2. In several communications from the Board to Government on the subject of the effect of the reduction in the rate of salt duty in Orissa, consequent on the passing of Act X of 1874, the Member in charge has expressed fears that the ultimate result of the reduced rates, so far as concerns Poorce, would be to extinguish the salt trade of that district. Mr. Dampier's Minute submitted to Government with my letter, No. 318B., dated 27th April 1875 (paragraphs 5 to 7), referred to the existence of special reasons which made it, in his opinion, a matter of peculiar importance that the salt manufacture in the southern part of the Poorce District should be encouraged rather than crushed out by artificial burdens. The result of this reference was that the following measures of relief to Poorce salt were proposed for the consideration of the Government of India:—*

* *Vide* G.O., No. 1,283, of 25th May 1875, enclosure to G.O., No. 2,708, dated 17th November 1875.

(1.) To allow applications for the delivery of kurkutch salt to be made on plain paper.

(2.) To dispense with rowanah fees.

(3.) To relieve the manufacturer of the cost of the preventive establishments at the salt works and the warehouse.

(4.) The reduction of duty on Poorce kurkutch from Rs. 2-4-0 to Rs. 2.

5. The first two recommendations have been agreed to by the Government of India (*vide* G.O., No. 223, dated 14th October 1875), and have been carried into execution. The third was negatived on the ground that the cost of preventive establishments constitutes a portion of the legitimate cost of the salt, which has to be realised from the consumer over and above the Government duty, and that to accept these charges would be *pro tanto* an indirect reduction of duty.

4. The fourth proposal, to reduce the duty, has not yet been disposed of, pending an explanation of the fact that the quantity for which manufacturing licenses were taken out in 1874-75 is nearly double the quantity manufactured in the previous year,—a circumstance from which, as pointed out by the Government of India in paragraph 6 of the letter last cited, it might be inferred that the excise consumption was extending owing to the decrease of duty, and that the manufacturers at any rate were not apprehensive of any ruinous competition from Ganjam, or of any proximate extinction of their trade.

5. The Commissioner of Orissa has now submitted four statistical statements, A, B, C, D (copies forwarded herewith), exhibiting the progress of the salt-trade in Orissa during the last five years. Statement A compares the quantity for which licenses to manufacture were taken out with the quantity actually manufactured and also with the quantity sold during each of the five years, and in each of the districts of Orissa. It will be noticed that the quantity for which engagements were taken out in Pooree in 1874-75 is nearly 50 per cent. in excess of the quantity contracted for in 1873-74, and that the same high quantity is nearly maintained in 1875-76. The extent of the contracts entered into beforehand is, of course, some measure of the manufacturer's expectation, but it will not on this account be safe to take it as a sure index of trade-prospects. If a contractor were bound under a strict penalty to turn out the exact quantity of salt specified in his license, some safe theory might be built upon the figures shown in the licenses; but, in point of fact, the contractors never do manufacture up to the full contract limit, and, in practice, it would be impossible to compel due performance, inasmuch as the manufacture is influenced by the weather, an unfavorable season being sometimes sufficient to stop it entirely. Thus in 1869-70 licenses were given out for the manufacture of 6,40,000 maunds,—a quantity, it may be observed, almost equal to the large quantity engaged for in 1874-75, which has attracted the notice of the Government of India in the present instance; but owing to some delay in beginning operations, no salt was made in that official year. The dry weather, favorable to rapid evaporation, which characterised the manufacturing season of the next official year enabled as much as 3,71,203 maunds to be made in five months. This quantity is somewhat higher than the extent of manufacture in the special year 1874-75. Again, in 1871-72, although licenses were taken for 4,50,000 maunds, yet, owing to wet weather and other causes, only [illegible] per cent. of this quantity, or 32,189 maunds, was actually manufactured. It therefore follows that no certain conclusion can be drawn from the quantity specified in the manufacturing licenses.

6. In the Government of India's letter under reply, particular stress is laid upon the extent of the contracts for 1874-75, as indicating a tendency in the area of consumption to widen itself in consequence of the reduction in duty, and that at any rate the manufacturers themselves entertained no fears for the future from the fact of Ganjam salt being about to enter into closer competition with the Poorce article. But I am to point out that the licenses for 1874-75 were not affected by the new arrangements as regards reduction of duty rendered necessary by the passing of Act X of 1874 and the abolition of the customs line between Ganjam and Orissa, but were entered into before the issue of the Government Notification of the 21st April 1874, whereby the new Act and the revised rates were made known to the public. It is, of course, possible that the manufacturers had a forecast of what was coming, though the Board have no right to assume this. On the other hand, it is reasonable to suppose that in their calculations for the future, the manufacturers would be very much guided by the result of the operations of

previous years. The first year in which manufacture of excise salt was carried on in Poorce was 1870-71. In that and the succeeding years the sales were as follows:—

		Mds.
1870-71	... ...	193
1871-72	... ...	[illegible]08
1872-73	... ...	2,22,940
1873-74	... ...	2,10,584

7. Looking to these results, there is fair reason for attributing the increased contracts of 1874-75 to the gradual improvement in the sales of previous years, while the main cause of the stimulus given to manufacture was the decrease in duty. The contractors naturally expected that increased sales of stocks would follow the reduction, but the anticipation which was only very partially fulfilled, as the margina figures show, that increase in sales (37,133 maunds) being by no means proportionate to the increase in manufacture

8. The following statement compares the sales of 1875-76 and the three preceding years, month by month, and an examination of it will show that there is considerable cause for alarm as to the prospects of the Pooree salt-trade:—

Month.	1872-73.	1873-74.	1874-75.	1875-76.
	Mds.	Mds.	Mds.	Mds.
April	1[illegible],85[illegible]	14,073	15,587	13,960
May	19,176	27,464	26,135	39,824
June	21,771	20,936	22,028	19,803
July	15,358	23,273	22,710	27,990
August	28,440	13,774	41,697	14,276
September	13,661	7,908	15,033	8,903
October	14,655	11,982	12,237	1,426
November	25,893	19,764	30,945	6,878
December	14,306	15,623	20,759	502
January	23,652	19,898	12,538	7,481
February	11,309	13,580	9,723	.....
March	14,870	22,319	18,325	.....
Total ...	2,22,940	2,10,584	2,47,717	.....

9. It will be seen that in the first four months of 1875-76 the reduced rates of duty gave an impetus to the sales, which, however, did not continue beyond July, from which month an unprecedented falling off set in, the reason of which is apparent from Statement B, which exhibits the extent of the influx of Ganjam salt into the districts of Orissa. The imports into Pooree rapidly increased thus—

	Mds.
In 1873-74	695
„ 1874-75	3,508
„ 1875-76 (eight months.)	22,716

		Sales of Pooree Salt.	Ganjam salt imported into Pooree.
		Mds.	Mds.
September	1874	15,033	198
October	„	12,937	368
November	„	30,945	651
December	„	20,759	479
January	1875	12,538	759
February	„	9,723	419
March	„	18,325	634
April	„	13,960	783
May	„	39,824	741
June	„	19,803	680
July	„	27,990	1,302
August	„	14,276	623
September	„	8,903	4,773
October	„	1,426	10,396
November	„	6,878	3,519
December	„	502	Not yet reported.
January	1876	7,481	

10. The statement in the margin shows the sales of Pooree salt side by side with the imports into Pooree from Ganjam since September 1874, the date when the steady influx began. There can be no mistake as to the meaning of these figures and the annihilation which they portend to the Pooree trade. But not only in the district itself is Ganjam ousting Pooree kurkutch, it is also displacing it in Cuttack. The imports of Ganjam salt into Cuttack have been—

	MDS.
In 1872-73	648
„ 1874-75	19,491
„ 1875-76 (eight months)	60,106

11. The extent to which the encroachment of Ganjam salt has prevented the circulation of the Poorce article in Cuttack is apparent from Statement D. During the first seven months of 1875-76 the imports of Poorce kurkutch into Cuttack amounted to 62,191 maunds against the following quantities during a similar period of the previous three years:—

	MDS.
1872-73	81,139
1873-74	72,217
1874-75	1,02,236

12. The influx of Ganjam salt into Orissa commenced in November 1874, and the total quantity received up to November 1875 was 1,05,781 maunds, representing so much loss to Orissa traders. The selling price of Ganjam salt in Poorce is said to be from Rs. 2-[illegible] per maund, while Poorce salt sells from Rs. 2-12-0 to Rs. 2-14-0. It is said to be inferior in quality to the Poorce article.

13. In explanation of the discrepancy pointed out by the Government of India in paragraph 7 of their letter under reply, it appears from a communication received from the Collector of Ganjam that manufacturers are paid at the rate of Rs. 11 per garce of 120 maunds at Ganjam, and not per garce of 1,200 maunds, the latter quantity having been inserted for the former by a clerical error.

14. With reference to the question as to whether the further lowering of the duty on Poorce kurkutch would affect the revenue from imported salt, the Commissioner of Orissa reports that further reduction of duty on the Poorce article will have no effect on the revenue derived from imported salt, as so far no salt is imported into Orissa, and export is prohibited.

15. In conclusion, Mr. Money directs me to observe that he has no wish whatever to protect Orissa manufacture as against Ganjam. All he has asked for it throughout is equality of treatment. He does not even lay any very great stress on the supposed advantages of providing employment for the indigent poor near the Chilka Lake. If the people there cannot compete with the Ganjam manufacturers, and if the soil will not support them, he would not hold out to them any inducements against emigration by protective measures; but he thinks they are entitled to ask, now that Ganjam salt can enter their district unchecked, to be treated fully as the Ganjam manufacturers. At present they are laboring under disadvantages.

A.

Salt Statistics.

TABLE I.—Number and Amount of Licenses taken out to manufacture Salt in each district from 1871-72 to 1874-75 and that applied for 1875-76.

District.	1871-72.		1872-73.		1873-74.		1874-75.		1875-76.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		MDS.		MDS.		MDS.		MDS.		MDS.
Cuttack ...	2	42,000	.....	.....	.....	.....	8	90,000	1	30,000
Poorce ...	3	4,50,000	5	5,10,000	5	4,05,000	10	7,25,000	10	6,75,000
Balasore ...	21	1,81,000	16	1,41,500	15	3,93,500	32	4,31,000	39	3,59,000
Total ...	26	6,73,000	21	6,51,500	20	8,87,500	49	12,46,000	50	10,64,000

TABLE II.—Amount of Salt actually manufactured in each district during five years, *i.e.*, 1871-72 to 1875-76.

		MDS.		MDS.		MDS.		MDS.		
Cuttack	.....	33,363	.....	16,884	.....	[illegible]	.....	12,297	.....	.....
Poorce	.....	82,189	.....	2,20,333	.....	[illegible]	.....	3,69,113	.....	.....
Balasore	.....	1,28,693	.....	1,04,973	.....	[illegible]	.....	1,09,480	.....	.....
Total ...	.....	1,94,250	.....	3,42,210	.....	3,41,322	.....	5,51,890	.....	.....

TABLE III.—Statement showing the Sales of Salt manufactured under Excise Rules in Orissa Division from 1871-72 to 1875-76.

		MDS.		MDS.		MDS.		MDS.		From 1st April to 30th November 1875.
										MDS.
Cuttack ...	.....	33,814	.....	19,978	.....	41,031	.....	16,289	.....	9,115
Poorce ...	.....	1,59,803	.....	2,22,940	.....	2,10,584	.....	2,47,717	.....	1,33,060
Balasore ...	.....	1,11,119	.....	1,49,428	.....	1,40,216	.....	1,45,677	.....	1,00,778
Total ...	.....	3,03,771	.....	3,92,341	.....	3,91,831	.....	4,09,683	.....	2,42,953

B.

Ganjam Salt imported to Cuttack and Pooree during 1872-73 to 1875-76.

	1872-73.			1873-74.			1874-75.			1875-76.		
	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.
	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.	MDS.
April	...	...	...	264	112	376	...	...	...	3,035	782	3,817
May	...	...	...	...	...	...	...	...	...	3,689	741	4,430
June	...	98	98	...	98	98	48	...	48	4,986	580	5,566
July	...	97	97	...	7	7	320	...	320	5,143	1,302	6,444
August	...	126	126	...	84	84	395	198	593	16,023	623	16,646
September	...	504	504	...	...	...	432	366	800	10,452	4,773	15,225
October	...	84	84	...	42	258	5,936	651	6,587	2,863	10,396	13,259
November	1,863	342	2,210	216	140	308	5,087	479	5,566	13,926	3,519	17,445
December	...	...	...	163	...	...	3,600	759	4,359	...	...	...
January	450	204	654	...	212	212	848	419	1,267	...	...	...
February	...	...	...	...	...	...	2,825	634	3,459	...	...	...
March	...	...	...	...	...	...	...	...	...	...	...	...
Total ...	2,313	1,455	3,773	643	695	1,343	19,491	3,508	22,999	...	...	...

C.

Ganjam Salt imported into Pooree District.

	1872-73.	1873-74.	1874-75.	1875-76.	Remarks.
	MDS.	MDS.	MDS.	MDS.	
From 1st April to 30th November	1,251	843	1,217	22,716*	* From 1st April to 30th November only 1875.
„ 1st December to 31st March	204	352	2,291	...	
Total ...	1,455	695	3,508	22,716	

GANJAM Salt imported into Cuttack District.

	MDS.	MDS.	MDS.	MDS.	
From 1st April to 30th November	1,868	480	7,131	60,066*	* 1st April to 30th November only 1875.
„ 1st December to 31st March	450	163	12,360	...	
Total ...	2,318	643	19,491	60,066	
Into Orissa.					
Cuttack and Pooree	3,773	1,313	23,999	82,782	None into Balasore.

D.

STATEMENT showing the quantities of Pooree Kurkutch Salt received on Rowanahs from the Pooree Collector in Cuttack District.

Months.	1872-73.	1873-74.	1874-75.	1875-76.
	MDS. S. CH.	MDS. S. CH.	MDS. S. CH.	MDS. S. CH.
April	13,205 10 0	9,689 25 0	9,471 25 0	5,87 30 0
May	11,699 20 0	15,680 0 0	13,980 15 0	10,701 20 0
June	12,884 0 0	11,675 20 0	11,170 0 0	7,068 30 0
July	6,917 20 0	16,266 20 0	17,174 0 0	19,488 0 0
August	10,994 0 0	9,599 0 0	28,486 0 0	8,849 0 0
September	9,804 0 0	3,557 0 0	8,970 0 0	7,185 0 0
October	6,655 0 0	6,351 0 0	14,034 0 0	771 0 0
November	14,794 0 0	10,014 0 0	8,631 0 0	.....
December	7,813 10 0	6,759 0 0	13,868 0 0	.....
January	11,764 15 0	17,068 0 0	9,780 0 0	.....
February	7,791 20 0	12,053 20 0	3,555 20 0	.....
March	7,954 25 0	16,932 20 0	10,050 0 0	.....
Total ...	1,31,077 0 0	1,34,124 25 0	1,35,498 20 0	62,191 0 0

COMMISSIONER'S OFFICE, ORISSA DIVN.
CAMP SHEARI MALLIA,
20th January 1876.

T. E. RAVENSHAW,
Commissioner.

No. 530.

ORDER THEREON, 28th November 1876, No. 1,830.

Separate Revenue, No. 22.
Customs.

COMMUNICATED to the Board of Revenue with reference to G.O., 2nd February 1876, No. 292, Miscellaneous, for their remarks.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

To the Board of Revenue.

Ord. of 1876 continued.

REVENUE.

THE BOARD OF REVENUE.

F. B.—Reg. No. 10923.

1832
5.

REVENUE DEPARTMENT.

MIS. REVENUE—No. 780.

CALCUTTA, { DATED THE 17TH MARCH / ISSUED THE MARCH } 1876.

FROM J. A. BOURDILLON, ESQ.,

Acting Asst. Secy. to the Govt. of Bengal,

TO THE SECRETARY TO THE GOVERNMENT OF INDIA,

DEPARTMENT OF REVENUE, AGRICULTURE, AND COMMERCE.

SIR,

IN reply to your letter No. 323, dated the 14th October 1875, on the subject of salt manufacture in the district of Pooree, I am directed to submit, for the consideration of the Government of India, the accompanying copy of a report (No. 124B, dated 21st February 1876, with enclosures) from the Board of Revenue, and to say that it appears to the Lieutenant-Governor that sufficient grounds have been shown by the Board for the proposed reduction of duty on Poorce kurkutch from Rs. 2-4 to Rs. 2 per maund.

I have the honor to be,

SIR,

Your most obedient servant,

J. A. BOURDILLON,

Acting Asst. Secy. to the Govt. of Bengal.

F. B.—Reg. No. 1C923.

1830/6

No. 121B., dated Fort William, the 21st February 1876.

From—W. H. GRIMLEY, Esq., Offg. Secretary to the Board of Revenue, L.P.,

To—The Secretary to the Government of Bengal, Revenue Department.

WITH reference to paragraph 2 of Government order No. 2708, dated 17th November 1875, and its enclosures, I am directed to reply as follows.

2. In several communications from the Board to Government on the subject of the effect of the reduction in the rate of salt duty in Orissa, consequent on the passing of Act X of 1874, the Member in charge has expressed fears that the ultimate result of the reduced rates, so far as concerns Pooree, would be to extinguish the salt trade of that district.* Mr. Dampier's minute, submitted to Government with my letter No. 318B., dated 27th April 1875 (paragraphs 5 to 7), referred to the existence of special reasons which made it, in his opinion, a matter of peculiar importance that the salt manufacture in the southern part of the Pooree district should be encouraged rather than crushed out by artificial burdens. The result of this reference was that the following measures of relief to Pooree salt were proposed for the consideration of the Government of India:*—

* *Vide* Government order No. 1283 of 25th May 1875, enclosure to Government order No. 2708, dated 17th November 1875.

(1.) To allow applications for the delivery of kurkutch salt to be made on plain paper.

(2.) To dispense with rowanah fees.

(3.) To relieve the manufacturer of the cost of the preventive establishments at the salt works and the warehouse.

(4.) The reduction of duty on Pooree kurkutch from Rs. 2-4 to Rs. 2.

3. The first two recommendations have been agreed to by the Government of India (*vide* Government order No. 323, dated 14th October 1875) and have been carried into execution. The third was negatived, on the ground that the cost of preventive establishments constitutes a portion of the legitimate cost of the salt, which has to be realized from the consumer over and above the Government duty, and that to accept these charges would be *pro tanto* an indirect reduction of duty.

4. The fourth proposal, to reduce the duty, has not yet been disposed of, pending an explanation of the fact that the quantity for which manufacturing licenses were taken out in 1874-75 is more than double the quantity manufactured in the previous year, a circumstance from which, as pointed out by the Government of India in paragraph 6 of the letter last cited, it might be inferred that the area of consumption was extending owing to the decrease of duty, and that the manufacturers at any rate were not apprehensive of any ruinous competition from Ganjam, or of any proximate extinction of their trade.

5. The Commissioner of Orissa has now submitted four statistical statements, A, B, C, D (copies forwarded herewith), exhibiting the progress of the salt trade in Orissa during the last five years. Statement A compares the quantity for which licenses to manufacture were taken out with the quantity actually manufactured and also with the quantity sold during each of the five years, and in each of the districts of Orissa. It will be noticed that the quantity for which engagements were taken out in Pooree in 1874-75 is nearly 50 per cent. in excess of the quantity contracted for in 1873-74, and that the same high quantity is nearly maintained in 1875-76. The extent of the contracts entered into beforehand is of course some measure of the manufacturer's expectation, but it will not on this account be safe to take it as a sure index of trade prospects. If a contractor were bound under a strict penalty to turn out the exact quantity of salt specified in his license, some safe theory might be built upon the figures shown in the licenses; but in point of fact the contractors never do manufacture up to the full contract limit, and in practice it would be impossible to compel due performance, inasmuch

as the manufacture is influenced by the weather, an unfavorable season being sometimes sufficient to stop it entirely. Thus in 1869-70 licenses were given out for the manufacture of 6,40,000 maunds, a quantity, it may be observed, almost equal to the large quantity engaged for in 1874-75, which has attracted the notice of the Government of Ind a in the present instance; but owing to some delay in beginning operations, no salt was made in that official year. The dry weather, favorable to rapid evaporation, which characterized the manufacturing season of the next official year enabled as much as 3,71,208 maunds to be made in five months. This quantity is somewhat higher than the extent of manufacture in the special year 1874-75. Again, in 1871-72, although licenses were taken for 4,50,000 maunds, yet, owing to wet weather and other causes, only 7 per cent. of this quantity, or 32,189 maunds, was actually manufactured. It therefore follows that no certain conclusion can be drawn from the quantity specified in the manufacturing licenses.

6. In the Government of India's letter under reply, particular stress is laid upon the extent of the contracts for 1874-75, as indicating a tendency in the area of consumption to widen itself in consequence of the reduction in duty, and that at any rate the manufacturers themselves entertained no fears for the future from the fact of Ganjam salt being about to enter into closer competition with the Pooree article. But I am to point out that the licenses for 1874-75 were not affected by the new arrangements as regards reduction of duty rendered necessary by the passing of Act X of 1874 and the abolition of the customs line between Ganjam and Orissa, but were entered into before the issue of the Government notification of the 21st April 1874, whereby the new Act and the revised rates were made known to the public. It is of course possible that the manufacturers had a forecast of what was coming, though the Board have no right to assume this. On the other hand, it is reasonable to suppose that in their calculations for the future, the manufacturers would be very much guided by the result of the operations of previous years. The first year in which manufacture of excise salt was carried on in Pooree was 1870-71. In that and the succeeding years the sales were as follow:—

	Mds.
1870-71	1,21,493
1871-72	1,59,808
1872-73	2,22,940
1873-74	2,10,584

7. Looking to these results, there is fair reason for attributing the increased contracts of 1874-75 to the gradual improvement in the sales of previous years, while the main cause of the stimulus given to manufacture was the decrease in duty. The contractors naturally expected that increased sales of stocks would follow the reduction, an anticipation which was only very partially fulfilled, as the marginal figures show, the increase in sales (37,133 maunds) being by no means proportionate to the increase in manufacture.

Season.	1872-73.	1873-74.	1874-75.
	Mds.	Mds.	Mds.
Manufacture	2,20,333	1,78,647	3,60,113
Sales	2,22,940	2,10,584	2,47,717

8. The following statement compares the sales of 1875-76 and the three preceding years, month by month, and an examination of it will show that there is considerable cause for alarm as to the prospects of the Pooree salt trade:—

Month.	1872-73.	1873-74.	1874-75.	1875-76.
	Mds.	Mds.	Mds.	Mds.
April	19,854	14,073	15,387	13,940
May	15,170	27,466	26,195	39,824
June	21,774	20,956	22,028	19,808
July	17,256	25,273	22,750	27,990
August	24,440	18,774	41,697	14,376
September	14,864	7,903	15,863	8,903
October	14,025	11,982	12,257	1,878
November	14,000	19,764	30,945	6,878
December	21,000	19,764	30,759	508
January	14,976	15,025	19,709	7,491
February	21,752	19,908	9,723	.....
March	14,959	23,550	18,325	.....
Total	2,22,940	2,10,584	2,47,717	.....

A.

SALT STATISTICS.

TABLE I.—*Number and Amount of Licenses taken out to manufacture Salt in each district from* 1871-72 *to* 1874-75 *and that applied for* 1875-76.

District.	1871-72.		1872-73.		1873-74.		1874-75.		1875-76.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
		Mds.		Mds.		Mds.		Mds.		Mds.
Cuttack	2	42,000	.....	.....	.....	.....	3	90,000	1	30,000
Pooree	3	4,50,000	5	5,10,000	5	4,95,000	10	7,25,000	10	6,75,000
Balasore	21	1,81,000	16	1,41,500	15	3,92,500	36	4,31,000	39	3,59,000
Total ...	26	6,73,000	21	6,31,500	20	8,87,500	49	12,46,000	50	10,64,000

TABLE II.—*Amount of Salt actually manufactured in each district during five years, i.e.,* 1871-72 *to* 1875-76.

	.....	Mds.	.....	Mds.	.....	Mds.	.....	Mds.	.....	.....
Cuttack	.....	33,558	.....	16,884	.....	1,75,547	.....	12,297	.....	.....
Pooree	.....	32,189	.....	2,20,833	.....	1,63,376	.....	3,60,113	.....	.....
Balasore	.....	1,28,603	.....	1,04,093	.....	.....	.....	1,89,489	.....	.....
Total ...	.....	1,94,350	.....	3,43,210	.....	3,41,922	.....	5,61,899	.....	.....

TABLE III.—*Statement shewing the sales of Salt manufactured under Excise Rules in Orissa Division from* 1871-72 *to* 1875-76.

		Mds.		Mds.		Mds.		Mds.		From 1st April to 30th November 1875. Mds.
Cuttack	.....	32,844	.....	19,978	.....	41,031	.....	16,999	.....	9,115
Pooree	.....	1,69,903	.....	2,22,940	.....	2,10,584	.....	2,47,717	.....	1,33,060
Balasore	.....	3,11,119	.....	1,40,488	.....	1,40,316	.....	1,45,078	.....	1,00,778
Total ...	.....	5,03,771	.....	3,92,541	.....	3,91,931	.....	4,09,683	.....	2,42,953

B.

Ganjam Salt imported to Cuttack and Pooree during 1872-73 *to* 1875-76.

	1872-73.			1873-74.			1874-75.			1875-76.		
	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.	Cuttack.	Pooree.	Total.
	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.	Mds.
April	.....	.....	.....	264	112	376	.....	.....	.....	3,035	782	3,817
May	.....	98	98	.....	98	98	.....	.....	.....	3,639	741	4,380
June	.....	97	97	.....	7	7	.....	.....	.....	4,986	580	5,566
July	.....	126	126	.....	84	84	.....	.....	.....	5,112	1,302	6,414
August	.....	504	504	.....	.....	.....	48	.....	48	6,152	623	16,046
September	.....	84	84	.....	258	258	320	198	518	16,023	4,773	15,215
October	.....	342	2,210	216	42	258	392	308	800	10,452	10,396	18,259
November	1,868	.....	.....	168	140	308	5,038	479	6,587	2,843	5,556	17,445
December	.....	344	654	.....	212	212	5,087	759	4,359	13,998	3,519	.....
January	450	.....	.....	.....	.....	.....	3,900	419	1,207	.....	.....	.....
February	.....	.....	.....	.....	.....	.....	848	654	3,439	.....	.....	.....
March	.....	.....	.....	.....	.....	.....	2,825	.....	.....	.....	.....	.....
Total ...	2,318	1,455	3,773	648	695	1,343	19,491	3,508	22,939	.....	.....	.....

C.

Ganjam Salt imported into Pooree District.

	1872-73.	1873-74.	1874-75.	1875-76.	Remarks.
	Mds.	Mds.	Mds.	Mds.	
From 1st April to 30th November ...	1,221	343	1,917	22,716*	*From 1st April to 30th November only 1875.
„ 1st December to 31st March ...	234	353	2,291	.....	
Total ...	1,455	695	3,508	22,716	

9. It will be seen that in the first four months of 1875-76 the reduced rates of duty gave an impetus to the sales, which, however, did not continue beyond July, from which month an unprecedented falling off set in, the reason of which is apparent from Statement B, which exhibits the extent of the influx of Ganjam salt into the districts of Orissa. The imports into Pooree rapidly increased thus—

	Mds.
In 1873-74	695
„ 1874-75	3,508
„ 1875-76 (eight months.)	22,716

	Sales of Pooree salt.	Ganjam salt imported into Pooree.
	Mds.	Mds.
September 1874	16,093	198
October „	12,237	363
November „	30,945	651
December „	20,759	479
January 1875	12,539	759
February „	9,723	419
March „	18,326	634
April „	13,999	703
May „	33,824	741
June „	19,903	580
July „	27,980	1,902
August „	14,276	623
September „	8,903	4,773
October „	14,816	10,895
November „	6,878	3,519
December „	592	Not yet reported.
January 1876	7,481	

10. The statement in the margin shows the sales of Pooree salt side by side with the imports into Pooree from Ganjam since September 1874, the date when the steady influx began. There can be no mistake as to the meaning of these figures and the annihilation which they portend to the Pooree trade. But not only in the district itself is Ganjam ousting Pooree kurkutch; it is also displacing it in Cuttack. The imports of Ganjam salt into Cuttack have been:—

	Mds.
In 1873-74	648
„ 1874-75	19,491
„ 1875-76 (eight months.) ...	60,006

11. The extent to which the encroachment of Ganjam salt has prevented the circulation of the Pooree article in Cuttack is apparent from Statement D. During the first seven months of 1875-76 the imports of Pooree kurkutch into Cuttack amounted to 62,191 maunds, against the following quantities during a similar period of the previous three years:—

	Mds.
1872-73	81,129
1873-74	72,217
1874-75	1,02,286

12. The influx of Ganjam salt into Orissa commenced in November 1874, and the total quantity received up to November 1875 is 1,05,781 maunds, representing so much loss to Orissa traders. The selling price of Ganjam salt in Pooree is said to be from Rs. 2-8 to Rs. 2-10 per maund, while Pooree salt sells from Rs. 2-12 to Rs. 2-14. It is said to be inferior in quality to the Pooree article.

13. In explanation of the discrepancy pointed out by the Government of India in paragraph 7 of their letter under reply, it appears from a communication received from the Collector of Ganjam that manufacturers are paid at the rate of Rs. 11 per garee of 120 maunds at Ganjam, and not per garee of 1,200 maunds, the latter quantity having been inserted for the former by a clerical error.

14. With reference to the question as to whether the further lowering of the duty on Pooree kurkutch would affect the revenue from imported salt, the Commissioner of Orissa reports that further reduction of duty on the Pooree article will have no effect on the revenue derived from imported salt, as so far *no* salt is imported into Orissa, and export is prohibited.

15. In conclusion, Mr. Money directs me to observe that he has no wish whatever to protect Orissa manufacture as against Ganjam. All he has asked for it throughout is equality of treatment. He does not even lay any very great stress on the supposed advantages of providing employment for the indigent poor near the Chilka Lake. If the people there cannot compete with the Ganjam manufacturers, and if the soil will not support them, he would not hold out to them any inducements against emigration by protective measures; but he thinks they are entitled to ask, now that Ganjam salt can enter their district unchecked, to be treated fully as well as the Ganjam manufacturers. At present they are laboring under disadvantages.

Ganjam Salt imported into Cuttack District.

	Mds.	Mds.	Mds.	Mds.	
From 1st April to 30th November ...	1,869	489	7,131	60,066*	*From 1st April to 30th November only 1875.
„ 1st December to 31st March ...	450	159	12,360	.....	
Total ...	2,318	648	19,491	60,066	
Into Orissa. Cuttack and Pooree	3,773	1,343	22,999	82,782	None into Balasore.

D.

Statement shewing the quantities of Pooree Kurkutch Salt received on Rowanahs from the Pooree Collector in Cuttack District.

Months.	1872-73.	1873-74.	1874-75.	1875-76.
	Mds. S. Ch.	Mds. S. Ch.	Mds. S. Ch.	Mds. S. Ch.
April	13,205 10 0	9,688 25 0	9,471 25 0	7,187 30 0
May	11,699 20 0	15,040 0 0	12,980 15 0	10,761 20 0
June	12,851 0 0	11,075 20 0	11,170 0 0	7,658 30 0
July	6,917 20 0	16,366 20 0	17,174 0 0	19,898 0 0
August	19,994 0 0	9,599 0 0	28,486 0 0	8,848 0 0
September	9,994 0 0	3,557 0 0	8,979 0 0	7,195 0 0
October	6,655 0 0	8,531 0 0	14,054 0 0	771 0 0
November	14,784 0 0	10,914 0 0	8,831 0 0	
December	7,613 10 0	6,769 0 0	13,868 0 0	.....
January	11,764 15 0	17,058 0 0	9,780 0 0	.....
February	7,791 20 0	12,753 20 0	3,565 20 0	.....
March	7,984 25 0	16,652 20 0	10,050 0 0	.....
Total ...	1,31,077 0 0	1,34,134 25 0	1,35,488 20 0	62,191 0 0

COMMISSIONER'S OFFICE, ORISSA DI :
CAMP SEEARI MALLIA,
The 20th January 1876.

T. E. RAVENSHAW,
Commissioner.

B. E.—Regr. No. 9067.

No. 312.

FROM

C. J. LYALL, ESQUIRE,
Under-Secretary to the Government of India,
Department of Revenue, Agriculture,
and Commerce,

To

The Secretary to the Govt of Madras.

Customs Inland.

SIR,

Dated the 4th Nov

With reference to my
dated the 26th January 1876 I am
forward for any remarks that Govt
Madras may have to make thereon, copy
of a letter from the Government of Bengal
on the subject of the proposed reduction
of duty on Poorce Kurkutin from Rs 2/4 to
Rs 2. per maund. I am to remark that
your letter No 1635 dated the 22nd December 1875
will be considered on receipt of a reply to
this communication which I am to request
may be forwarded at as early a date as practicable

No 780 of the 17th March 1876, & enclos.

I have the honour to be,
Sir,
Your most obedient servant,
Chas. J. Lyall
Under Secretary to the Govt of India

G.O 22 Assembly 75 Nos 229-33
2 Feby 76 - 292 Mis

Revenue 1876 Despts

No 4846

From

The Govt of India
Revenue & Dept

Dated 4 Nov
Rec'd 13 —

En 2) No 312

Forwarding for remarks
& Madras Govt letter from
Govt of Bengal on the subject
of the proposed reduction
of duty
from 1

Rs 1530-

14 Z Bombay Nos 30/a