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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.
B.P. No.

1830

Press
Mis.

Dated

28.11.1966 .

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
23rd November 1876.*

No. 529. ²⁶ Read the following letter from C. J. LYAL, 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, a 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.

ENCLOSURE No. 1

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 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 Pooree 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 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

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

the following measures of relief to Pooree salt were proposed for the consideration of the Government of India:—

- (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. 2-4-0 to Rs. 2.

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28th November 1876.

3. The first two resolutions have been agreed to by the Government of India (vide G.O., No. 323, dated 14th October 1875), and have been carried into execution. The third was negative, 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 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 demand for salt 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 by 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 3,71,208 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 17 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

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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 follows:

	MDS.
1870-71	193
1871-72	108
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 the 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.

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	12,854	14,073	15,587	13,960
May	19,176	27,464	26,135	39,824
June	21,771	20,926	22,028	19,803
July	15,358	23,273	22,710	27,990
August	23,440	13,774	41,697	14,276
September	13,661	7,903	15,033	8,903
October	14,655	11,982	12,237	1,426
November	25,898	19,764	30,945	6,878
December	14,306	15,628	20,759	502
January	23,652	19,898	12,538	7,481
February	11,309	13,580	9,723	
March	14,870	22,319	13,325	
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	193
October	12,237	368
November	30,945	651
December	20,759	479
January 1875	12,538	759
February	9,723	419
March	13,325	634
April	13,960	782
May	39,824	741
June	19,803	580
July	27,990	1,302
August	14,276	623
September	8,903	4,773
October	1,426	19,396
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—

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	MDS.
In 1872-73	648
" 1873-74	19,491
" 1874-75 (eight months)	60,006

11. The extent to which the exportation 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 kirkutch 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. 2-10-0 to Rs. 2-12-0 per maund, while Pooree salt sells from Rs. 2-12-0 to Rs. 2-14-0. 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 kirkutch 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 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.
Cuttack	2	MDS. 42,000	5	MDS. 5,10,000	5	MDS. 4,95,000	10	MDS. 7,25,000	10	MDS. 80,000
Pooree	3	4,50,000	5	5,10,000	5	4,95,000	10	7,25,000	39	6,75,000
Balasore	21	1,81,900	16	1,41,500	15	5,92,500	86	4,31,000	50	10,64,000
Total	26	6,73,000	31	6,51,500	20	8,87,500	40	12,45,000		

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28th November 1876.

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

	MDS.	MDS.	MDS.	MDS.	MDS.
Cuttack	32,363	16,834	18,747	12,297	12,297
Pooree	32,159	2,20,333	2,20,333	3,60,113	3,60,113
Balasore	1,25,893	1,04,903	3,41,822	5,51,890	5,51,890
Total	1,94,250	3,42,210	3,41,822	5,51,890	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.
Cuttack	33,344	19,073	41,031	16,289	9,115
Pooree	1,59,508	2,22,940	2,10,584	2,47,717	1,33,060
Balasore	1,11,119	1,40,428	1,40,216	1,45,077	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.
April	MDS. 264	MDS. 112	MDS. 376	MDS. 264	MDS. 112	MDS. 376	MDS. 264	MDS. 112	MDS. 376	MDS. 264	MDS. 112	MDS. 376
May	98	98	196	98	98	196	98	98	196	98	98	196
June	97	97	194	97	97	194	97	97	194	97	97	194
July	126	126	252	126	126	252	126	126	252	126	126	252
August	504	504	1,008	504	504	1,008	504	504	1,008	504	504	1,008
September	84	84	168	84	84	168	84	84	168	84	84	168
October	1,868	342	2,210	216	42	258	5,087	479	5,566	5,087	479	5,566
November	450	204	654	163	140	303	3,600	759	4,359	3,600	759	4,359
December	450	204	654	212	212	424	2,325	634	2,959	2,325	634	2,959
January	...	...	...	...	...	...	...	...	...	...	...	...
February	...	...	...	...	...	...	...	...	...	...	...	...
March	...	...	...	...	...	...	...	...	...	...	...	...
Total	2,315	1,455	3,773	648	695	1,343	19,491	3,505	22,999	19,491	3,505	22,999

C.

GANJAM Salt imported into Pooree District.

	1872-73.	1873-74.	1874-75.	1875-76.	Remarks.
From 1st April to 30th November	MDS. 1,251	MDS. 843	MDS. 1,217	MDS. 22,716*	* From 1st April to 30th November only 1875.
" 1st December to 31st March	204	353	2,291	...	
Total	1,455	695	3,508	22,716	

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28th November 1876.

GANJAM Salt imported into Cuttack District.

From 1st April to 30th November	MDS.	MDS.	MDS.	MDS.	1st April to
" 1st December to 31st March	1,868	489	7,131	60,066*	31st November
	450	169	12,360	...	only 1875.
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 showing the quantities of Pooree Kurkutee Salt received on Rowanahs from the Pooree Collector in Cuttack District.

Months.	1872-73.	1873-74.	1874-75.	1875-76.
April	MDS. S. CH. 13,205 10 0	MDS. S. CH. 9,688 25 0	MDS. S. CH. 9,471 25 0	MDS. S. CH. 10,791 20 0
May	11,699 20 0	15,680 0 0	19,950 15 0	7,658 30 0
June	12,354 0 0	11,675 20 0	11,170 0 0	19,888 0 0
July	6,917 20 0	16,266 20 0	17,174 0 0	8,849 0 0
August	10,994 0 0	9,599 0 0	28,486 0 0	7,135 0 0
September	9,804 0 0	3,557 0 0	8,970 0 0	771 0 0
October	6,655 0 0	6,351 0 0	14,034 0 0	...
November	14,794 0 0	10,914 0 0	8,631 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	12,053 20 0	3,555 20 0	...
March	7,934 25 0	16,932 20 0	10,050 0 0	...
Total	1,31,077 0 0	1,34,134 25 0	1,35,498 20 0	62,191 0 0

COMMISSIONER'S OFFICE, ORISSA DIVN.
CAMP SEEARI 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.

Ed. F. B. Bantleman.

Pooree Kurkutee Salt.—Communicating to the Board of Revenue for remarks letter from the Government of India on the subject of reducing the duty on— from Rs. 2-4-0 to Rs. 2 per maund.

NOVEMBER.
Nos. 520-530.
526-527.

G.O. 28th November 1876, No. 1,830.

Dated November, 28th.

Recd.

Encl.

THE BOARD OF REVENUE.

REVENUE.

Bolt. of 1876: 3rd Nov.

1830
5

REVENUE DEPARTMENT.

MIS. REVENUE—No. 780.

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

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 Pooree 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.

1830/6

No. 124B., 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, as 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 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 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.

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November	23,898	19,764	6,875
December	14,306	15,023	292
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February	11,969	19,580	
March	14,570	22,319	
Total	2,22,940	2,10,584	2,47,717

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	3	42,000	5	5,10,000	5	4,00,000	3	90,000	1	30,000
Pooree	3	4,50,000	16	1,41,500	15	5,92,500	10	7,25,000	10	8,75,000
Balasore	21	1,81,000					36	4,31,000	30	3,58,000
Total	26	6,73,000	21	6,51,500	20	8,87,500	49	12,46,000	50	10,63,000

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

	Mds.	Mds.	Mds.	Mds.	Mds.
Cuttack	33,898	16,884	17,857	12,297	
Pooree	32,189	2,20,383	1,63,270	3,60,113	
Balasore	1,28,000	1,04,903	8,41,822	5,61,600	
Total	1,94,250	3,42,210			

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.
Cuttack	32,944	10,973	41,691	16,220	9,115
Pooree	1,50,808	2,22,940	2,10,584	2,47,717	1,33,000
Balasore	4,11,119	1,40,428	1,40,216	1,45,677	1,00,778
Total	5,95,771	3,92,341	3,91,881	4,03,603	2,42,903

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				3,025	782	3,807
May										2,639	741	3,380
June				98	97	195				4,966	580	5,546
July				126	126	252				5,142	1,302	6,444
August				504	504	1,008				320	10,923	11,243
September				84	84	168				683	10,432	11,115
October				2,210	210	2,420				800	2,863	3,663
November				1,808	342	2,150				6,587	13,226	19,813
December										5,568		5,568
January										5,087	479	5,566
February										8,990	759	9,749
March				450	204	654				848	419	1,267
Total	5,318	1,453	6,771	648	695	1,343	18,491	3,508	22,000			

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	1,751	343	1,217	2,716*	* From 1st April to 30th November only 1875.
1st December to 31st March	294	352	2,291	2,716	
Total	1,455	695	3,508		

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—

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

Sales of Pooree salt.	Ganjam salt imported into Pooree.	
Mds.	Mds.	
September 1874	15,030	198
October "	12,237	368
November "	20,945	651
December "	20,769	479
January 1875	12,533	759
February "	9,723	419
March "	18,325	634
April "	13,960	782
May "	39,824	741
June "	19,803	580
July "	27,900	1,302
August "	14,276	623
September "	6,903	4,773
October "	1,416	10,396
November "	6,873	8,519
December "	502	
January 1876	7,481	Not yet reported.

In 1873-74	Mds.
" 1874-75	648
" 1875-76 (eight months.)	19,491
	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:—

1872-73	Mds.
1873-74	81,129
1874-75	72,217
	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	1,808	489	7,131	60,066*	*From 1st April to 30th November only 1875.
" 1st December to 31st March	450	168	12,300		
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	13,265 10 0	9,883 25 0	9,471 25 0	7,187 30 0
May	11,699 20 0	15,880 0 0	12,980 15 0	10,701 20 0
June	12,854 0 0	11,975 20 0	11,170 0 0	7,658 30 0
July	6,917 20 0	16,266 20 0	17,174 0 0	19,888 0 0
August	19,984 0 0	9,599 0 0	23,456 0 0	8,849 0 0
September	9,804 0 0	3,557 0 0	8,970 0 0	7,135 0 0
October	6,635 0 0	6,331 0 0	14,034 0 0	771 0 0
November	14,794 0 0	10,614 0 0	8,631 0 0	
December	7,613 10 0	6,759 0 0	13,808 0 0	
January	11,784 15 0	17,058 0 0	9,780 0 0	
February	7,791 20 0	12,953 20 0	3,555 20 0	
March	7,984 25 0	16,082 20 0	10,030 0 0	
Total	1,31,077 0 0	1,34,134 25 0	1,35,498 20 0	62,191 0 0

COMMISSIONER'S OFFICE, ORISSA DISTRICT :
CAMP SEERAI MALLIA,
The 20th January 1876.

T. E. RAVENSHAW,
Commissioner.

No. 3/2

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.

Sir, dated the 4th Nov.

Customs Inland.

SIR,

With reference to
dated the 26th January 1876, I am
forward for any remarks the 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 Kurkutee from Rs. 2/4 to
Rs. 2. per maund. I am to remark that
your letter No. 1835 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.

I have the honour to be,

^{Sir,}
Your most obedient servant,

Chas. M. Lyall

Under-Secretary to the Govt. of India

No. 780 of the 17th March 1876, 72 miles.

10022 Dec 11/75-1879-83
2 Feb 76-292 M

1830-

Commissioner to the Board

Revenue with effect of 27 Feb 1876
No 292 M. for their accounts.

28 Aug 76

14. To Board of Revenue 30/11

Revenue 1876 Dec 11/75

Rs 4846

from

The Govt of India
Revenue & Dept.

Dated 4 Nov

Recd - 13 -

Ex 25 No 312

Forwarded by the Revenue
of Madras for: Letter from
Govt of Bengal on the subject
of duty, of the judgment & Revenue,
from 11

Rev D