

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	746	Press Mis.
253-54 Dated	20-5-	1820

Not to be folded or roughly handled

No. 253. Read the following Proceedings of the Board of Revenue, dated 25th January 1870, No. 522:—

Read the following letter from the Acting Collector of Madras, to the Acting Secretary to the Board of Revenue, dated Sydapet, 21st December 1869, No. 467.

With reference to the Proceedings of the Board of Revenue, dated the 3rd instant, No. 8,922, I have the honour to forward copy of a letter from the Deputy-Collector in charge of Salt, with its enclosures, supplying the information called for in paragraph 2 of the Order of Government, dated 26th November 1869, No. 3,052.

2. From Mr. Smith's letter the Board will observe that the number of transfers of Salt-pans by mortgage or sale during the twelve years from 1857 to 1869 have been more than double what they were in a corresponding period from 1844 to 1856. Mr. Smith, however, argues that the mere fact of the pans being easily saleable cannot be regarded as a certain criterion of their being also remunerative, and the reasons assigned by him for this opinion appear to me to be sound.

3. Mr. Smith shows that since 1855 the selling-price of an old pan has fallen upwards of thirty-seven per cent., while in the case of the new pans the fall in price exceeds sixty-one per cent.

4. A careful consideration of the facts and arguments brought forward in Mr. Smith's letter has convinced me that Salt-pans at the present rate of Kudivaram are not a remunerative property, and that it is necessary that the rate of Kudivaram should be raised to Rupees 12 a-garce.

5. In paragraphs 12 to 17 of his letter Mr. Smith explains why the concession granted in paragraph 7 of the Board's Proceedings, dated 12th July 1869, No. 4,978, was not carried into effect.

6. Finally, Mr. Smith points out that though the additional cost of raising the Kudivaram-price to Rupees 12 a garce would in the *present* year be Rupees 17,651, it would, on the average of the previous five years, amount to Rupees 18,315 annually; and that if thirty lacs of Maunds (the largest quantity that is likely ever to be made) should be manufactured in any future year, the difference between the Kudivaram at the present and the proposed increased rate would be Rupees 35,000.

ENCLOSURE No. 1.

From A. SMITH, Esq., Deputy-Collector in charge of Salt, Madras, to the Acting Collector of Madras, dated 17th December 1869, No. 283.

As directed in your Memorandum of the 13th instant, No. 763, I have the honour to report on paragraphs 2 and 3 of the Government Order, dated 26th November last, No. 3,052.

2. Information on two points is called for in paragraph 2 of the Order in question, which was written in reference to the recommendation of the Board, that the present rate of Kudivaram should be permanently increased to 12 Rupees per garce.

3. The Government inquire, firstly, whether the Salt-pans, even at the present rate of Kudivaram, are not a remunerative property and easily saleable.

4. On this point I beg to submit the following observations:—It appears to me that the mere fact of the pans being easily saleable is no certain criterion of their being also remunerative.

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20th May 1870.*

If there be one thing more than another which forms a characteristic feature of the native mind, it is the eager desire they have for the acquisition of immovable property; and no one, with his eyes open, would willingly part with land that yielded him a profitable or even a fair return. The presumption is, that in such a case, if a man is in easy circumstances, he would rather retain his property than dispose of it.

5. The pans are waste land fit for no other purpose than the manufacture of Salt. Many external causes over which the ryots have no control often so injuriously affect the manufacture, that the returns are by no means certain even in ordinary years. But in bad seasons the pans are positively worked at a loss, and the returns, in some cases, do not amount to half the original outlay.

6. This uncertainty and loss lead, in the majority of instances, first to the mortgage, and subsequently, from inability to redeem the mortgage, to the sale of this description of property.

Enclosed Statement.

The number of transfers of Salt-pans, by mortgage or sale, from 1814 to 1856 was 707; while transfers of the same description from 1857 to 1869 were 1,455, showing an excess during the latter period of 748 transfers. A strong proof, I think, of the non-remunerative character of Salt-pans with the present rate of Kudivaram.

7. The Salt Department is generally reputed to contain within itself a mine of wealth; and many a stranger, misled by this belief, is easily induced to sell the very house in which he lives, or to mortgage his wife's jewels, in order to invest the proceeds in the acquisition of Salt-pans. He soon discovers, however, that he has found a mare's-nest, and proceeds to exercise his ingenuity with a view to transfer his land to some bumpkin imbued, as he himself once was, with exaggerated notions of the value of salt-land.

8. The next point on which Government desire information in the 2nd paragraph of their order is the prices paid for Salt-pans when now transferred by sale, as compared with those paid for the same description of pans some years back.

9. The enclosed statement supplies the required information. It will be seen that while the average price of an old pan in 1855 was Rupees 178, the average price obtainable for the same description of property in 1869, is only Rupees 112, being a diminution in the price of Rupees 66 or 37½ per cent. So also in regard to the new pans; while their average selling-price in 1855 was Rupees 59, the price in 1869 is only Rupees 23, showing a falling off in value of Rupees 36, or 61¼ per cent.

10. Looking to the idiosyncracies of the natives in regard to the possession of immovable property, to which I have already referred, is it within the pale of probability that they would willingly enter into negotiations for such large transfers, involving two or three thousand pans, if the property yielded a return not only sufficient to keep the wolf from their doors, but also enable them to make a profit by their venture? With all submission, I trow not.

11. Again, it is no secret that some years back the supervision exercised over the Salt manufacture was miserably inefficient. If the Kudivaram had then been only 4 Rupees per garce, hundreds would have been glad to supply Salt at that rate, recouping themselves to their hearts' content by smuggling large quantities, and selling the plunder at a third or a half of the monopoly-price to Koravers and Lambadies. In those years, too, no attention was given to the quality of the salt manufactured, anything scraped up from the pans being received into store and paid for. Lastly, it should be remembered that in those days also labour was cheap, prices low, and taxes few—a state of affairs favourable to the interests of the manufacturers. But now, those halcyon days have passed away, and given place to a condition of things the very reverse, in every particular, of the no-exaggerated picture above sketched.

12. I beg to state, in reply to the 3rd paragraph of the Government Order, that the concession therein referred to was not carried into effect, under the following circumstances.

13. When I made the recommendation in July last, that Kudivaram be paid on half the quantity of Salt then in store at the pans, there was not the smallest prospect of any portion of it whatever being transported to Madras, owing to the failure of water in the canal.

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14. Subsequently the canal received a supply of rain-water, and Mr. Fraser, fearing that it would all be driven towards the Pulicat Lake, thoughtfully erected a dam at Kalangi to confine the water to this side of the canal, so as to enable the department to make arrangements for the transport of Salt to Madras.

15. The most strenuous exertions were thereupon made to get in and store the Salt as rapidly as possible. And I have much pleasure in stating that out of 16½ lacs of Maunds then lying at the different divisions, 16,40,000 Maunds have since been brought down to Madras, and full Kudivaram is being paid thereon.

16. When the Board's Proceedings, sanctioning the payment of Kudivaram on half the quantity of Salt at the pans came to hand, we were in the midst of storing operations, which would undoubtedly have been broken upon and retarded if any payments had been made to the manufacturers, who, instead of being present at the loading of their Salt at the pans, would have been all agog to receive their money. With the

To Acting Collector, 27th September 1869, No. 221.
From " 28th " " " 573.

concurrence therefore of the Acting Collector, the payment was postponed until the receipt of the Salt into store.

17. Although the concession referred to by Government was, under the circumstances above stated, not carried into effect, there can be no question that the remission of the advances sanctioned in the 1st paragraph of the Order, added to the payment of full Kudivaram now in progress, will considerably mitigate the distress under which the ryots have been labouring, and enable them to make arrangements for the manufacture of Salt in the ensuing year, with renewed vigour and hope.

18. I venture very respectfully to submit that there appears to be some oversight in the statement made in paragraph 2 of the Government Order, that "the permanent increase to the Kudivaram will involve an additional annual outlay of Rupees 17,651." This is certainly the sum mentioned by me in paragraph 2 of my letter of the 28th July last; but you will observe that I added that that would be the amount "on the present year's manufacture." The annual outlay will not be the same every year, but will vary according to the quantity of Salt manufactured in each year. I submit a Statement showing the difference between the present and proposed rates of Kudivaram on the average quantity of Salt manufactured during the last five years. If thirty lacs of Maunds, the largest quantity that is likely ever to be made, be manufactured in any future year, the Kudivaram at the present rate would be 2,65,000 Rupees, at the proposed rate 3,00,000, and the difference between the present and proposed rates 35,000 Rupees.

ENCLOSURES Nos. 2 to 4.—Statements.

SUBMITTED for the consideration of Government, with reference to paragraph 2 of Government Order, dated 26th November 1869, No. 3,052.

No. 254.

ORDER THEREON, 20th May 1870, No. 746.

Separate Revenue, No. 11.

Salt.

The condition of the Salt-pans in the northern division of the Madras District was brought prominently to the notice of Government in 1860 by Mr.

Pelly who had been directed to frame proposals for an improved administration of the Salt Department.

2. From Mr. Pelly's first report it would appear that at that time about twenty different rates of Kudivaram, ranging from Rupees 6 to Rupees 26-2-0 per

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garces were in force in the Chingleput District. This source of confusion at once attracted the notice of Government, and Mr. Pelly was directed to confer with the Board in order to its removal. He then proposed that one manufacturing rate should be fixed, Mirrassi privileges being dealt with separately; but there were objections to this scheme, and the rates of Kudivaram, obtaining in the Madras District, do not appear from the papers before Government ever to have been equalised or subjected to a test based on the cost of producing the Salt, of preserv-

	PRESENT RATES.	FUTURE RATES.			
		Per Garce of 424 Morcals or 120 Indian Maunds.	Per Garce of 424 Morcals or 120 Indian Maunds.	Per Indian Maund of 82½ lbs Avoir.	
		RS. A. P.	RS. A. P.	A. P.	
Ganjam	{ Ganjam	9 0 0	9 6 0	1 8	
	{ Nowpada	6 0 0	7 8 0		
	{ Oomravally	7 8 0	7 8 0		
Vizagapatam	{ Carasah	6 5 9	7 8 0		
	{ Karapa, etc.	7 0 0		1 0	
Godavary	{ Gurajapilly	7 7 0	7 8 0		
	{ Pondra	7 0 0			
Kistna	{ Chinnaganjam	7 7 0			
	{ Tada	7 15 0	8 2 0	1 1	
Nellore	{ Kistnapatam, etc.	7 8 0	7 8 0	1 0	
	{ Teagavally	6 11 0	7 8 0	1 0	
South Arcot	{ Killay	8 5 0	8 12 0	1 2	
	{ Cuddalore	8 8 0	8 12 0	1 2	
Tanjore	{ Negapatam	10 10 0	10 10 0	1 5	
	{ Neidavassol	10 10 0			
Madura	{ Tittandadarum	11 2 0	11 4 0	1 6	
Tinnevely	{ Vypaur, etc.	10 9 7	10 10 0	1 5	
Canara	{ Cundapoor	12 11 6	13 2 0	1 9	

ing it after manufacture, and of transporting it to the boats. By G. O., dated 12th May 1862, the marginally noted table of rates was fixed for ten districts of the Presidency, and most of these rates, it must be observed, are less than those obtaining at the northern Salt-pans of the Madras District; but the Government at that time forbore to extend the settlement to the Madras District, owing to the Mirrassi rights which the manufacturers were held to possess. The existence of these rights was distinctly affirmed by Mr. Cunliffe in 1862, but as that officer considered the remuneration of the Salt manufacturers to be sufficient, no alteration was made in the existing rates. The Board were, however, authorized to submit proposals for increasing them, as soon as they considered that such a measure had become necessary.

3. The Board are therefore requested to call upon the Acting Collector for a Tabular Statement of all the rates of Kudivaram, current in the Madras District, with the reasons for any variations in them. The balance of competent opinion is decidedly against the adequacy of the price paid to the manufacturers at the northern Salt-pans; but if Mr. Pelly's report may be taken as applying with equal force to the present Madras District, it is clear that the inquiry ought not to be restricted to the northern Salt-pans, and that some explanation of the co-existence in the same district of a rate so low as Rupees 6 with one so high as Rupees 26-2-0 per garce should be furnished to Government.

4. Another question on which the rate of Kudivaram mainly depends seems not to have received sufficient consideration. Both Mr. Pelly and Mr. Clarke, who inspected the Salt-works in 1860, referring to the pans, which are the subject of these Proceedings, called attention to the multifarious duties in connection with the Salt which the manufacturers had to perform. Mr. Pelly reported

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that in some districts the manufacturer had to repair the platforms and the channels—to convey money to the Talook Treasury—to provide guards—and to do all the work required at the platform after the Salt had been stored and thatched. The Government in their Proceedings, dated 12th May 1862, No. 1,043, thus defined the nature of the manufacturers' duties: "The manufacturers are bound at their own expense to keep the minor channels and pans in proper order—to deliver the Salt by weight and measurement into store—to keep the fences round the pans in repair—and to guard the pans during the season of manufacture. They should also be required to provide labour for covering the heaps, and repairing the platforms, main channels, and other works at the station, receiving payment for such duties."

5. Mr. Banbury, while Acting Collector of Madras, in his letter to the Board, embodied in Board's Proceedings, dated 22nd September 1866, No. 6,813, estimated the cost of manufacturing 3½ garces of Salt by showing separately each item of expense; and he charged the manufacturer with the labour of removing the Salt from the pans to the platform as well as from the platform to the boats. The manufacturers are compelled to erect these platforms for the storage of their Salt; and it appears from Mr. Smith's letters, embodied with G. O., dated 19th June 1869, No. 1,747, that they ordinarily construct them at their own expense, although the cost thereby entailed did not enter into Mr. Banbury's calculations. Last year, owing to the shallowness of Cochrane's Canals, and the consequent stoppage of communication by water with the depôt, the Salt remained for some time on the manufacturer's hands, and when, owing to this delay, it became necessary to strengthen and extend the platforms and protect the Salt from dust and rain, the

Government sanctioned the exceptional expenditure of Rupees 10,517 for this object.

6. The Salt-makers of the northern division have already received considerable indulgence. In December 1868 the Government sanctioned advances to them to the extent of Rupees 41,252, and in November 1869 these advances were remitted altogether.

7. Before sanctioning the proposed increase in the Kudivaram, the Government requested to be informed whether the Salt-pans, even at the present rates, were not a remunerative property and easily saleable by the holders. Mr. Smith now forwards a statement from which it appears that in 1869 the average price of an old pan was Rupees 112 against Rupees 178 in 1855. This shows a sensible diminution in the profits derivable from the manufacture; but Mr. Smith goes further, and expresses his belief that "the mere fact of the pans being easily saleable is no certain criterion of their being also remunerative." He finds a reason for their still-existing-market value in "the idiosyncracies of the natives in regard to the possession of immovable property," and in a general but unfounded belief that the Salt Department "contains within itself a mine of wealth"—arguments with which the Deputy Collector might have dispensed without in any degree impairing the usefulness of his letter.

8. With the exception of Mr. Cunliffe, every district officer, who has expressed an opinion on the matter within the last ten years, has advocated an increase

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in the Kudivaram. According to Mr. Banbury's calculation, the profits of a manufacturer, whose family perform all the requisite labour, only reach 30 Rupees on a pan producing $3\frac{1}{2}$ garces, out of which sum he has to maintain himself and his family for seven months; while one who is dependent on paid labour, can only make a profit of Rupees 1-12-0 on his pan. If a pan is leased out, the owner receives half the "Kudivaram" as rent, out of which sum he provides tools, his actual profit not exceeding Rupees 3 per garce or $10\frac{1}{2}$ per pan; but this system, according to Mr. Banbury, generally proves detrimental to the interests of both fessor and lessee, owing to the inability of the latter to meet his engagements on such terms.

9. The Governor in Council, under these circumstances, resolves to raise the rates of Kudivaram at the northern Salt-pans from Rupees 10 to Rupees 12 per garce.

(True Extract.)

(Signed) R. A. DALYELL,
Acting Secretary to Government.

To the Board of Revenue.
To the Accountant-General.

Exd. F. R. Fattleman.

Govt. of Madras.

REVENUE.

THE BOARD OF REVENUE,

Secy, Secy, Secy,

Dated May 20th.

Recd.

Exd.

G. O. 20th May 1870, No. 713.

MAY.

Nos. 253-254.

Salt Kudivaram in Madras District—
Rates at the northern Salt-pans raised from
Rupees 10 to Rupees 12 per garce.

Memo. for Orders on No 395

Question - Whether the Kudiwaram paid to the Salt Manufacturers of the Madras district is to be raised from Rs 10. to Rs 12 per Garce. or even higher.

I would raise the rate to 12 Rs. being quite sufficient for the necessity & justice of the thing - The salt for which we buy Rs 10. we ~~sell~~ at Rs 240!

J. D. S.

I suppose it must be done. *M. N.*

The balance of competent opinion is so decidedly in favor of the increase that I cannot oppose it. *N.*

The Kudiwaram on salt is the price paid to the manufacturers for it by Govt. and it must be mentioned that this price is not paid until the salt is actually received within the Govt. Depot. The manufacturers have to bear the cost of forming and keeping in order the pans, subsidiary canals, wells and pecotahs of raising water to the brine

brine reservoir, of thatching
the salt to preserve it from
rain, and of conveying
it to the boats for transporta-
tion to the Depots.

2. In 1860 Mr. Pelly
was directed to place himself
in communication with the
collectors of the maritime dis-
tricts, and submit proposals
for an improved administra-
tion of the Salt Department.

In paras 24 and 25 of his
report he criticised the rates
payable to manufacturers
for their salt pointing out
that in the Kistna district
the salt was manufactured
at

Proc^s of Govt. dated 7 May 1860,
No 723

I question this. Mr.
Pelly must have re-
ferred to spontaneous
which is collected
at pt. expenditure i.e.
pt. pay the collie.
employment.

†
G.O. dated 7 May 1860
No 723

at Govt expense; that in
other districts the Kudiwā-
ram system was in force
but the Kudiwāram rates,
the average of which through-
out the Presidency was
 $7\frac{3}{4}$ rupees, varied greatly
in the different districts
and even in different parts
of the same district. For
instance, in Chingleput
(now included in the Madras
district) there were about
twenty different rates ranging
from 6 Rs to $26\frac{3}{4}$ Rs per
garco - The Govt[†] requested
Mr. Pelly to confer with the
Board and the ^{Heads of the} Salt
Establishments

establishments with a view
to the removal of this source
of confusion

3. Mr. Pelly then pro-
posed (1) that the salt should
be weighed instead of
measured, the galle being
estimated by Indian maunds
(2) a change in the rates
paid in the various districts,
tending towards equalisation
(3) that in Madras where
Merasi privileges to Kud-
waram existed in some
places a general rate of
Rs. 10. 12 per maund
should be fixed, but that
compensation framed on
the basis of a calculation

* Dec of Govt dated 11 Mar 1864
No 556

* paras 1 et seq of his letter.

* para 6.

* para 7.

of the difference between the
said rate and the rate there-
fore given should be made
when fairly claimable to the
Merasidar, a certain sum
being fixed on an average of a
few years to be paid annually
or once for all and debited
to the head of compensation
in lieu of resumed privileges,
(4) that the costs of covering
the salt heaps in all the
districts should be borne
by Govt and that the
responsibility of the manu-
facturer should cease when
the salt was delivered in
store.

G. O. of 11 Mar 1864 No 556

4. The Govt adopted
recommendation (1), but the
remaining

remaining proposals were reserved for future consideration.

5. In the meantime Mr. J. Clarke's report on the salt works of the Nellore, Kistna and Madras districts came before the Govt. With reference to the Madras district

Mr. Clarke commented on the additional expense which the delay in transporting the salt to the Govt. platforms owing to the want of suitable means of transportation entailed upon the manufacturers. Referring to the salt

* Pro. of Govt. of 22^d Decr. 1866 N. 2376

* Pro. of Govt. of 1st Nov. 1866 N. 2101

* para 30 of his letter printed with Pro. of Govt. of 22^d Decr. 1866 N. 2476

9 Salt works which supplied the Madras Depot who were paid Kudiwaram at the rate of 10 Rs. per garce he stated that they complained of its insufficiency, although the manufacturers to the north of Binnore and in Nellore were paid only Rs. 4. 15. per garce and had in addition to bear the cost of storing the salt, of furnishing the materials for covering it, and the labour of covering it, of measuring it when sold, and of keeping the platform

in order
 6. In passing orders in Mr. Markie's letter the Govt expressed an opinion that if a more expeditious system of transporting the salt to the platforms were in use the present rate of Kudliwaram would be virtually increased and would be sufficient

* G.O. of 1st Nov 1861. No 2101 para 11.

7. Mr. Pelly's remaining proposals adverted to above in para 4 next received consideration. The marginally noted

* Vide para 4 of Mr. Pelly's Note attached to G.O. of 1st Nov 1861. No 2101.

* G.O. of 12 May 1862, No 1043.

table of rates for ten of the districts of the Presidency was settled. Settlement of the Kudliwaram for the Madras & South Arcot districts was postponed pending a report from the Collectors.

		Present Rates		Future Rates	
		Per 100 lbs	Per 100 lbs	Per 100 lbs	Per 100 lbs
Ganjam	Ganjam	7.0	7.0	7.0	7.0
	Southpala	7.0	7.0	7.0	7.0
	Omnavally	7.0	7.0	7.0	7.0
Vizagapatnam	Carassah	6.5	7.0	7.0	7.0
	Edavery	7.0	7.0	7.0	7.0
Kistna	Karapah, ven	7.0	7.0	7.0	7.0
	Guruganapully	7.0	7.0	7.0	7.0
Nellore	Chinnaganpam	7.0	7.0	7.0	7.0
	Radde	7.0	7.0	7.0	7.0
South Arcot	Westnapatalam, &c	7.0	7.0	7.0	7.0
	Seavally	7.0	7.0	7.0	7.0
Tanjore	Killip	8.0	8.0	8.0	8.0
	Andalane	8.0	8.0	8.0	8.0
Madura	Sevapatnam	10.0	10.0	10.0	10.0
	Sevapatnam	10.0	10.0	10.0	10.0
Tinnevely	Sevapatnam	11.0	11.0	11.0	11.0
	Sevapatnam	11.0	11.0	11.0	11.0
Canara	Sevapatnam	12.0	12.0	12.0	12.0
	Sevapatnam	12.0	12.0	12.0	12.0

on the Mirassie privilege which existed in those districts. The Govt also impressed upon the Board the propriety of classifying the manufacturers for duties which did not fall legitimately within their scope such as storing the salt at the depot, thatching the heaps, &c.

8. In his letter dated 28th May 1862 printed with Pro: of Govt dated 27th Nov 1860 No 2919, Mr. Cunliffe the Collr of Madras reported on the Mirassie privilege to the manufacture of salt in that district. He held that "these privileges consisted in declining from the Govt at the salt pans of the old Chingleput district certain varying rates for the salt delivered as specified at Page 201 of the Appendix to Howden's Salt Report, & when the formation of new pans was required, in the right to haul these pans distributed to the several Mirassidars of the village

"village in which the pans
were situated." Mr. Cunliffe
acknowledged that the
authorities had broken
through these privileges
by in some instances, ma-
king over these pans to
strangers, but he be-
lieved that if the Mem-
bers had brought a
suit under Regulations
I of 1805 they would have
gained their case.

9. Mr. Dy. Collector Smith
commenced his advocacy
of a higher rate of Kud-
warum for the northern
salt pans in 1861 by re-
commending that it should
be raised from Rs 10 to
Rs 12. The Collector Mr.
Cunliffe in forwarding
his letter, dissented from
his

L.O. dated 2^d June 1862,
No 1213.

+ Board's Proceedings, dated
8th May 1863, No 2473.

his views, stating that
the present rate of 10^{Rs}
per gance gave the ma-
nufacturers a clear pro-
fit of Rs 5 which was
sufficient.

10. In 1863 the Honble

P. A. Ellis Esq. Collector

of Madras proposed

that the Kudwarum paid
to the manufacturers at

the northern pans should

be raised from Rs 10 to

Rs 12 per gance. He

stated that the complaints

of the manufacturers re-

ferred to in Mr. Clarke's

report had become

more urgent than ever,

and that as the Deputy

Collector

vide above para 5.

Collector was very strict in declining none but salt of the best description into store, a more liberal scale of payment was called for - The Board

called for a report as to the additional expense which would be incurred by carrying out his proposal -

11. Mr. Ellis placed this at Rs 26,000 for the estimated manufacture of

Board's Proceedings dated
5th May 1863, No 2773 -

13th Dec. 13th Sept/63
No 5059.

of 15,00,000 mounds. He further mentioned that the then average profit to the manufacturer was from Rs 2-4 to Rs 2-8 per garci.

12. The Board in replying to Mr. Ellis referred to the letter which Mr. Gurniffe had written referred to above in para 9 in which he stated that the present rates were sufficiently remunerative, and they deferred the settlement of a question which involved so large an outlay

on they pending a report
from all the Collectors
in regard to the profits
realised by salt manufacture.

13. By G.O. dated 27th
November 1865, No. 2919, the
Government disposed of
the question of an increase
of Kuduvaram by deciding
against any immediate change.

The Board were however
left at liberty to bring
the question forward
again, whenever they
thought the necessity
had arisen.

14. Mr. Granbury
The Acting Collector

of

* L^{td} P^{er} 8/22nd Sept/66,
No. 6813.

of Madras replied
to the Board's requisition
referred to in para 12 by
forwarding a tabular state-
ment in which he shewed
that in the Northern salt
pan, when the pan
was worked by the pro-
prietor himself his pro-
fit on one garce was
Rs. 8-9-2, but this calcu-
lation does not include
the value of the labour
of himself and family.
When the pan was worked
by cooly labour the pro-
fit of the manufacturer

only

only reached, 8 am. The
Acting Collector de-
clared his full concur-
rence in the Collector's opinion
that the Kudiwaram should
be raised from Rs. 10 to Rs. 12
per garco. This letter
was recorded by the
Board with reference to
a previous letter
in which they had
made some recommenda-
tions to Government
relative to the price
of salt sold for
export by sea. The
Board

* Gov. of India 8/30. Dec/68
No. 3208

¹⁹
Board appear to
have overlooked Mr.
Bainbridge's recommenda-
tion as to the rate of
Kudiwaram, and only
to have noticed his
incidental remarks
on the price of
exported salt.
15 In December 1868
the Government sanc-
tioned advances to
the salt manufacturer
to the extent of Rs. 11,252
on the urgent representation
of

of Mr. Smith that the recent disastrous season had involved them all in debt.

16. The question of raising the Kudivaram for salt in the northern salt pans of the Madras district then remained in abeyance until Mr. Fane brought it forward in June 1869 recommending an increase from Rs. 10 to Rs. 12.

17. In reply to a query from the Board Mr. Smith represented that

Proc. of Govt. of 26 Nov. 1869.
No. 3052

Dec. Ord. 7/12 July/69 No. 4978

that taking the average of the previous five years the additional cost to Govt. of raising the Kudivaram to Rs. 12 would be Rs. 315 per annum. Mr. Smith reiterated his convictions as to the insufficiency of the present price paid, and he recommended that the advances made to the manufacturers (Rs. 49, 112) should be altogether remitted.

18. The Board gave their earnest support to Mr. Smith's scheme, believing that

"that the security of the
"revenue demands that im-
"mediate relief should be
"given to the manufacturers."

19 The Govt remitted
the advances, as requested,
but before sanctioning an
increase in the Kudiwarane
they desired to know whether
salt pans, at the present
rates were not a remunera-
tive property and easily
saleable.

20 Mr Smith now
replies that the mere fact
of the pans being easily
saleable is no certain cri-
terion of their being also
remunerative

G.O. of 26 Nov 1869 No 3152

Board's Res of 25 Jan 1870
No 522

remunerative. It appears
that the average price of an
old salt pan in 1855 was
Rs. 178 - in 1869, Rs. 112. Ac-
cording to Mr Smith the
manufacturers in former
days recouped themselves
for low rates by smuggling.

Note

21 With the exception
of Mr Junliffe every officer
who has had an opportu-
nity of offering an opinion
on the matter within the
last ten years has advo-
cated an increase in
the Kudiwarane. Mr Smith
has

* Vide above para 9.

has agitated the question
ever since 1861.

22 But this unanimity
of testimony is hardly
justified by figures. Ac-
cording to Mr. Bantury
a manufacturer who is
in a position to command
the labor of his family,
was, in 1866, able to realize
profit at the rate of Ru.
pees 8.9-2 per garce al-
though, including the cost
of wooly-labor, his profits
on a garce only reached
8 Annas. Prices are lower
now than they were in 1866.

The

* Note above para 14

A pane yields $3\frac{1}{2}$ pane
so the profit is, at this
rate abt 30 Rs. for 7 or
8 men the labor of a "family"
this is clear.
A pane usually rents for
 $\frac{1}{2}$ the cordis aram i.e.
the owner gets 5 Rs out of
which he provides tools.
so that his profit cannot
be 3 Rs per force - or 10 $\frac{1}{2}$ per
pane. the tenant is a mere
laborer - earning his food
& clothing & no more.

he might ask how
for these insurances
have been carried out.
I think it will be
found that the "thatching"
which they state depends
is only at the house - when
the salt is still there
now. at the depot I
think the gov. pays - they
supplying labor &
materials on payment.

End

23. The instructions of
Govt. referred to in para
bandy relative to the
expeditions transport of
salt to the Depot and
relieving the manufac-
- turers of such extraneous
duties, as thatching it,
do not appear to have
been sufficiently attended
to.

24. It is submitted
that a report should
be called for from
the Collector as to
the other rates pro-
- vailing in the Madras
district. According
to Mr. Pelly some
of the manufacturers

are only paid Rs.
6 per garce

Revenue
Raising of the
revenue in Salt

think
+ I do not think is the
case now. It is
might call for a
table of the rates now
existing.

Distances to the
Salt works
of the district
of the district
of the district

14 April 1871

Revenue Dept.
No 746
Proceedings of the Madras Court
under date the 20 May 1870
Read the follow-
ing Pro: of the Bd of Rev:

Submitting letter
from the Collr of Madras,
forwarding copy of one
from the Dy. Collr in charge
of the Salt Dept. furnish-
ing information as to the
prices paid for salt
pans in that Dept.

(H.L. 20th Jan 1870
No 522)

J. D. S.

The condition
of the salt pans in the
Northern division of the
Madras district was
brought prominently to the
notice of Govt in 1860 by
Mr. Kelly, who had been di-
rected to frame proposals
for an improved admini-
stration of the salt
Department.

2. From Mr. Kelly's first
report it would appear
that at that time about
twenty different rates of
Rudivaram, ranging from
Rs.

Rd 6 to Rd 26-2 per parcel
 were in force in the
 Chingleput district - This
 source of confusion at
 once attracted the notice
 of Govt and Mr. Kelly was
 directed to confer with the
 Board in order to its re-
 moval - He then proposed
 that one manufacturing
 rate should be fixed, &
 Inerassi privileges being
 dealt with separately, &
 but there were objections
 to this scheme, and the rates
 of Kudiwarum obtaining
 in the Madras district do
 not appear from the pa-
 pers before Govt but to
 have been equalised or
 subjected to a test based
 on the cost of producing
 the salt, of preserving it
 after manufacture, & of
 transporting it to the
 boats - By Ld. dated
 12th May 1862, the margin-
 ally notes table of rates
 was fixed for the districts
 of

		Present Rates.	Future Rates	
		Per quart of 24 Mascals or 130 Lb. Mds.	Per quart of 24 Mascals or 130 Lb. Mds.	Per du- nd. of 82 2 1/2 Lb. Mds.
		Rs. a. p.	Rs. a. p.	a. s. p.
Ganjam	Ganjam	9-0-0	7-6-0	1-8
	Khupada	6-0-0	7-8-0	
	Omnavally	7-8-0	7-8-0	
Vizagapatam	Barasahi	6-5-9	7-8-0	
Godavary	Karapah, Dm	7-0-0		1-0
	Gurajana pilli	7-7-0	7-8-0	
Ristna	Madhapa	7-0-0		
	Chinnaganjam	7-7-0		
Nellore	Sada	7-15-0	8-2-0	1-1
	Ristnapatam, Dm	7-8-0	7-8-0	1-0
	Tanjavally	6-11-0	7-8-0	1-0
South Arcot	Kellay	8-5-0	8-12-0	1-2
	Chuddore	8-8-0	8-12-0	1-2
Tanjore	Nagapatam	10-10-0	10-10-0	1-5
	Nalankasoch	10-10-0		
Madurai	Tt. idadaram	11-2-0	11-4-0	1-6
Tinnevely	Thypan, Dm	10-9-0	10-10-0	1-5
Canara	Chundepoor	12-11-6	13-2-0	1-9

13
 of the Presidency, and
 most of these rates, it
 must be observed, are
 less than those obtain-
 ing at the Northern
 Salt pans of the Madras
 district; but the Govt at
 that time for bore to re-
 -tend the settlement to
 the Madras district, &
 owing to the Inerassi
 rights, which the manu-
 -facturers were held to
 possess - The existence
 of these rights was dis-
 -tinctly affirmed, by Mr.
 Amliffe in 1862, but as
 that officer considered
 the

the enumeration of the
salt manufacturers
to be sufficient, no al- L.D. dated 27th Nov 1865,
No 2919 -
teration was made in
the existing rates. The
Board were, however,
authorized to submit
proposals for increasing
them, as soon as they
considered that such a
measure had become
necessary.

3. The Board are
therefore requested to call
upon the Assy. Collr for a tabular
statement

5-
statement of all the
rates of Andiwarane
current in the Madras
district, with the reasons
for any variations in
them. The balance of
competent opinion is de-
cidedly against the ade-
quacy of the price paid
to the manufacturers at the
Northern Salt-panne, but if Mr.
Telly's report may be taken
as applying with equal
force to the present Madras
district, it is clear that the
enquiry ought not to be
restricted to the Northern
Salt-panne, and that some
explanation

1- explanation of the co-existence
in the same district of a rate
so low as Rs. 6 with one
so high as Rs. 26-2 per
garce, should be furnished
to Government.

1- Another question
on which the rate of
Hudivaram mainly
depends, seems not
to have received suf-
ficient consideration.

Both Mr. Belly
and Mr. Clarke who
inspected

inspected the salt
works in 1860, referring
to the frame which are the
subject of these Govt.
proceedings, called atten-
tion to the multifarious
duties in connection with
the salt which the
manufacturers had to
perform. Mr. Belly
reported that in
some districts the ma-
nufacturer had to re-
pair the platforms
and the channels to
convey money to the
Taluk Treasury, to provide
guards

guards and to do all
the work required at
the platform after the
salt had been stored
and thatched. The Govern-
ment in their Proceedings
dated 12th May 1862,
No. 1043 thus defined the
nature of the manufacturers'
duties. "The manufacturers
are bound at their own
expense to keep the minor
channels and pans
in proper order, to
deliver the salt by
weight and measure.
ment into store, to keep
the fences round the
pans

7
"frames in repair, and
to guard the pans during
the season of manufacture.
They should also be re-
quired to provide labour
for covering the heaps,
and repairing the plat-
forms, main channels
and other works at
the station, receiving
payment for such duties."
5 Mr. Bamberg,
while Agt. Collector
of Chodras, in his
letter to the Board
embodied in Board's
Proceedings, dated
23rd September 1866,
No.

No. 6813 estimated the cost of manufacturing $3\frac{1}{2}$ gallons of salt by showing separately each item of expense, and he charged the manufacturer with the labor of removing the salt from the pans to the platform as well as from the platform to the boats. The manufacturers are compelled to erect these platforms for the storage of their salt, and it appears from Mr. Smith's letters embodied with

L.D. dated 19th June 1869,
No. 1747.

8
with L.D. dated 19th June 1869 No. 1747 that they ordinarily construct them at their own expense, although the cost thereby entailed did not enter into Mr. Baubury's calculations. Last year, owing to the shallowness of Cochrane's Canal and the consequent stoppage of communication by water with the depot, the salt remained for some time on the manufacturer's hands, and when, owing to this delay, it became necessary to strengthen and erect the platforms & protect the salt from dust & rain, the Govt. sanctioned the ^{exceptional} expenditure of Rs. 10,517 for this object.

6. The salt-makers
of

of the Northern Division
have already elici-
-ed considerable
indulgence. In
December 1868
the Government
sanctioned ad-
-vances to them
to the extent
of Rupees
41,252
and

and in November
1869 these advances
were remitted altogether.
Before sanctioning
the proposed increase in
the Kudivaram, the Go-
-vernment requested to be
informed whether the salt
pans, even at the present
rates, were not a remun-
-erative property and
easily saleable by the
holders. Mr. Smith now
forwards a statement
from which it appears
that in 1869 the average
price of an old pan
was Rs. 112 against
Rs. 178 in 1855. This
shows

shows a sensible dimi-
-nution in the profits de-
-rivable from the manufacture,
but Mr Smith goes further
and expresses his belief
that "the mere fact of the
"frame being easily saleable
"is no certain criterion of
"their being also remunerative."

He finds a reason for
their still existing market
value in "the idiosyncra-
-cies of the natives in
"regard to the possession of
"immovable property" and
in a general but un-
-founded belief that
the Salt Department "con-
-tains within itself a
mine

"mine of wealth" arguments
with which the Deputy
Collector might have en-
dispensed without in
any degree impairing
the usefulness of his letter.

With the exception
of Mr Cumliffe, every
District officer who has
expressed an opinion on
the matter within the
last ten years, has ad-
-vocated an increase in
the Kudiwarum. According
to Mr Banbury's calcu-
-lation, the profits of a
manufacturer whose
family perform all the
requisite

requisite labour, only
reach 30 Rs. on a pan
producing $3\frac{1}{2}$ garces, out
of which sum he has
to maintain himself and
his family for seven months,
while one who is dependent
on paid labour can only
make a profit of Rs. 1-12
on his pan. If a pan
is leased out, the owner
receives half the "Kudi-
warum" as rent, out
of which sum he provides
tools - his actual profit
not exceeding Rs. 3 per
garce or $10\frac{1}{2}$ per pan;
but this system according

to Mr. Danbury, gene-
rally proves detrimental
to the interests of both the
lessor and lessee, owing to the
inability of the latter to
meet his engagements
on such terms.

9.- The Governor in
Council, under these cir-
cumstances resolves to
raise the rates of Kudi-
warum at the Northern
salt pans from Rs. 10 to
Rs. 12 per garce.

OK.

14 To the Officer of Accounts
6 The Accounts General

W. H. Bell

42

Exhibition
of the
Society of
the
18th Nov 1861