

Revenue (1897) Department

PRESS SERIES.

G.O., No. 1054-1054A

DATED 16th December 1897

[Despatch Abstract.]

Passing orders on B.P. re. the execution
of affording special facilities for the develop-
ment of the Fish-carry industry.

G.O.	No.	Department.	Date.
		B C	

[illegible]

1897.

Board of Revenue

(Separate Revenue),

MADRAS.

G.O. 1640 2 2-9-97
" 43 2 28-1-96
" 910 2 22-7-74
" 428 2 29-4-92
" 3869 2 30-8-92
" 848 2 29-11-94

Printed October 2nd.

Proceedings, No. 410, 23rd September 1897.

SEPTEMBER. 1

Submitting to Government a report on the question of affording special facilities to the fish-
 erers in view to the further development of the industry.

1968

PROCEEDINGS OF THE BOARD OF REVENUE
(SEPARATE REVENUE).

READ—Letter from the Deputy Commissioner of Salt, Abkari and Customs Department, Southern Division, dated 15th July 1897, No. 3231.

ABSTRACT.—Submitting particulars showing the expenditure on the Gollah establishment debitable to fish-curing in the Calicut Sub-division.

READ—G.O., No. 1640, Revenue, dated 2nd September 1897.

RESOLUTION—No. 410, dated 23rd September 1897.

In reviewing the Salt Administration Report for 1894-95, Government remarked in paragraph 20 of its order, No. 43, Revenue, dated 28th January 1896, that other causes than the unfavourable character of the fishing season might have contributed to the continuous fall in the quantity of fish brought to be cured since 1890-91 in the West Coast yards and since 1891-92 in the East Coast ones, and requested the Board to investigate the matter further and report whether any special facilities could be afforded to fish curers in view of the further development of the industry. The Board presumes that it was not intended that the additional advantages suggested were intended to entail any expenditure beyond the utilization of the surplus revenue now derived from fish-curing.

2. Taking the East Coast first, the Board observes that the transactions in the yards of the Negapatam Sub-division during the period under review have shown an increase and that the decline noticed by Government was only in the remaining sub-divisions. The Deputy Commissioners who were requested to carefully examine the causes of the decline report that it was due chiefly to the unfavourable character of the fishing season of late years and that it may partly have been brought about by the following causes peculiar to individual localities:—

(a) in the Northern and Central divisions, to the increasing demand for fresh fish. That fresh fish is much more largely consumed in the interior of the Vizagapatam district than it used to be, the Commissioner has often noticed. It is now regularly sold in such towns as Vizianagram, Anakapalle and Yellamanchili—places where it could only be obtained by special arrangements a few years ago. The same extension of the market for fresh fish has probably occurred elsewhere.

(b) in the Northern division, to the decline of the fishing industry, owing to better wages being obtainable on the East Coast Railway works and in Rangoon and other places.

This also is a valid reason. Fishermen are the most useful hands obtainable for many highly-paid forms of work in connection with trade and transport and are more and more freely employed in this way every year.

(c) in the Central Division, to rules requiring the fish to be kept in the yards for a certain length of time before being removed.

(d) in the Southern division (Tinnevely Sub-division), to the defective system of curing in vogue and to the low proportion of salt issued for curing fish.

It appears that fish salted at the fish-curing yards has been objected to in the interior as unfit for food. This is due to the unscientific method of curing adopted (burying the fish in the ground wrapped up with salt in mats) and not to the proportion of salt issued being low as it is decidedly the reverse.

3. Of the reasons assigned in the preceding paragraph for the decline in operations, those marked (c) and (d) are removable, but the rule referred to in case (c) is very necessary to prevent frauds on the part of the petty officers, which, even under existing conditions, are difficult to detect. Without such a rule, fictitious entries could be made in the accounts without chance of detection as, even if an inspecting officer visited the yard immediately afterwards and wished to examine the fish, their absence would at once be explained as being due to the fishermen having already removed them. In regard to (d) the Assistant Commissioner's suggestion to raise the proportion of salt issued to fish cured may be given a trial, but the Deputy Commissioner is not sanguine that this will have any appreciable effect on the extent of the operations unless the curers introduce the tub system of salting in lieu of that at present in vogue. The conservative instincts of the population will probably prevent this reform being introduced.

4. As to the West Coast, leaving South Canara (to which special facilities have recently been given) out of account, the Deputy Commissioner reports that, while the decline may possibly be due in part to,—

- (1) the introduction of the "Thattu Vala", a sort of net into which the fish are driven by beating the water violently which has the effect of frightening the larger kinds away from the shore;
- (2) to the increase in the issue price of salt from As. 12 to Re. 1; and
- (3) to the outbreaks of cholera and small-pox which have occurred of late years among the fish-curers at the height of the fishing season;

he cannot accept them as altogether sufficient seeing that, although they existed in full force in 1895-96, the transactions in Malabar in that year showed an enormous increase, being the highest on record. This view is corroborated by the fact that, notwithstanding the liberal concessions granted to the curers in South Canara, the decline in operations in 1896-97 was most marked. The Board, therefore, agrees with the Deputy Commissioner in considering that the real cause of the decline both in the East and West Coasts should be looked for in the unfavourable nature of the fishing season, the increased consumption of fresh fish and the fact that the fishermen find more lucrative employment in other directions.

5. The Deputy Commissioners, on being asked to state what additional facilities could be given to fish-curers, suggested that the concessions detailed below might be made and the effects watched so as to see whether the industry would improve. To understand these proposals it is necessary to explain that, when fish-curing yards were first opened as an experimental measure, the necessary buildings and fences were constructed and maintained at Government expense with reference to G.O., No. 910, dated 22nd July 1874. Subsequently, however, a diversity of practice arose, originating generally in fishermen offering to assist in the upkeep of yards at places where the department did not consider them absolutely necessary and undertaking in some cases to construct the buildings and fences at their own cost and to execute repairs in others. In March 1892, the Board suggested that, as the fish-curing industry had

been placed on a firm basis, the future policy of Government in regard to the opening of new yards should be that the curers should provide the site and the necessary buildings. This was approved by Government in G.O., No. 428, Revenue, dated 29th April 1892. In July 1892, the Board further ordered that, in consideration of the extensive scale on which the industry was being conducted on the West Coast and the profitable character it had assumed, the cost of upkeep of the yards there should also be borne by the curers, and that on the East Coast the same course should be followed with regard to such of the yards as the Deputy Commissioner considered sufficiently advanced for it—*vide* Board's Proceedings, No. 384, dated 13th July 1892, recorded in G.O., Mis. No. 3869, Revenue, dated 30th August 1892. The yards on the East Coast to which this latter order has been extended by the Deputy Commissioners are—

Idinthakarai	...	...	} in the Southern division.
Overi	...	...	
Adirāmpatnam	...	...	
Malliapatnam	..	...	
Muttupet	...	...	
All the yards in the Northern division.			

These orders are not applicable to South Canara where, on the memorial of the fishermen, the original practice of constructing and maintaining all yards at Government expense was reverted to under G.O., No. 848, Revenue, dated 29th November 1894.

The proposals made by the Deputy Commissioners were—

Deputy Commissioner, Northern Division.—To reduce the issue price of salt to As. 6-8 per maund everywhere.

Deputy Commissioner, Central Division.—To execute all necessary works and repairs at the expense of Government as is done in most of the yards at present, the annual cost of this being estimated at Rs. 600.

Deputy Commissioner, Southern Division.—(1) In the Negapatam and Tinnevely Sub-divisions to execute all works, &c., at the expense of Government as is done at present in most of the yards at an annual cost of Rs. 650 and to reduce the sale price of salt by As. 2.

(2) On the West Coast (except in South Canara where special facilities have already been afforded), to leave the curers to keep up the yards (which would cost Rs. 5,300 a year) as at present, but to reduce the sale price of salt from Re. 1 to As. 13-4.

Concessions that might be granted.	What they would cost Government in the case of 1 and 4, and what Government would lose in the case of 2 and 3.	
	Rs.	
(1) Maintenance of the yards on the East Coast in good repair at Government expense	1,000	
(2) Adopting a uniform rate of As. 6-8 in the East Coast	4,600	
(3) Reduction in the issue price of salt to As. 13-4 in Malabar	16,500	
(4) Maintenance of the yards in Malabar in good repair at Government expense.	5,300	

in favour of Government up to the end of 1895-96, notwithstanding the annual additional debit of about Rs. 5,600 to fish-curing on account of the facilities recently given to the South Canara fishermen, some concessions might be granted to the curers in one or other of the ways noted in the margin, but, after a careful scrutiny of the figures, it finds that the usual method of calculating loss or gain on fish-curing operations has been defective and that the following items which should properly have been debited to the West Coast have not been taken into account:—

- Establishment for gollahs, expenditure for taking the salt into store, and for weighing it.
- Interest at 5 per cent. on capital cost of gollahs and works.
- Upkeep of gollahs.

If these items also are included in the calculation the true gain to Government from the commencement of the fish-curing operations is estimated to be only a little over Rs. 9,000 as debits on account of these items have to be made as shown below:—

	Rs.
A. From 1879-80 to 1895-96 at an average of Rs. 2,750 per annum	46,750
B. From 1879-80 to 1886-87 on Rs. 40,000 = 16,000	
From 1887-88 to 1890-91 on Rs. 45,200 = 9,040	
From 1891-92 to 1894-95 on Rs. 50,640 = 10,128	
From 1895-96 on Rs. 55,000 = 2,750	
C. Upkeep of gollahs calculated at 5 per cent. of the capital cost	37,918
	1,22,586

True gain to Government = (1,32,000—1,22,586) ... 9,414

7. It will thus be observed that, up to the end of 1895-96, the receipts in both the East and West Coasts together have barely sufficed to meet the expenditure and that even the small surplus of Rs. 9,414 above referred to will shortly be swallowed up by the concessions granted to the South Canara fishermen. If, therefore, additional concessions are to be granted to the curers at all, the cost must be met from the estimated savings of future years. In 1896-97, the gain to Government on the West Coast was Rs. 15,503, calculated in the old way, but allowing for items A, B and C referred to in the preceding paragraph, the real gain was only Rs. 8,000. On the other hand, the operations on the East Coast in the same year resulted in a loss to Government of nearly Rs. 6,000, and deducting this, the surplus really available is only Rs. 2,000. The question, therefore, is to what yards, if any, this sum should be devoted and how.

8. First as to the East Coast yards, as a whole there has never been any surplus derived from them, they having been always worked at a loss. Taking the transactions from 1891-92, it will be seen that in the Chatrapur, Chicacole, Chingleput and Negapatam Sub-Divisions, the expenditure has always been in excess of receipts, and in Masulipatam and Nellore almost double the receipts. In Cocanada alone, the receipts barely cover the expenditure. In Tinnevely, the receipts have hitherto been more than the expenditure, but in 1896-97 they were less. The Board does not, therefore, see how it can recommend the grant of any additional facilities on the East Coast as they will have to be given at the expense of Government. It, therefore, considers that, if concessions are to be granted at all, they must be given in Malabar where alone the yards are worked at a profit to Government. In these circumstances, the upkeep of the yards in Malabar may for the future be paid for by the department if Government so desires, the annual cost being estimated at Rs. 5,300 as stated in paragraph 6 *supra*. As shown above this will probably result in a loss to Government, but it must be remembered that the surplus under fish-curing has been and is secured only on the West Coast and the loss takes place on operations with which the West Coast has no connection. On the other hand, the industry being already well established there hardly requires to be further favoured.

(True Extract.)

(Signed) N. S. BRODIE,
Acting Secretary.

(True Copy.)

Assistant Secretary.

To the Secretary to Government, Revenue Department.

Revenue (1897) Department.

CURRENT No. 8608

From

The Govt of India.
H. & C. Dept.

Order

No. 4324 S.R.

Dated 27th Sept. 1897

Received 4.10.97

Registered 6.10.97

Enclosures

Spare copies.

SUBJECT.

Requesting early reply
to the communication
relative to the question
of granting special
facilities for the encourage-
ment of fish-curing
industry throughout
the Madras Presy.

6/10

BACK PAPERS.

G.O.	No.	Department.	Date.
✓	43	28-1-35	
"	286	2-24-6-95	
"	3676	8, 14-7-96	

FURTHER PAPERS.

G.O.	No.	Department.	Date.

REMINDER.

FINANCE AND COMMERCE DEPARTMENT.

Simla, the 27th September 1897.

* No. 4106 SR dated 25th September 1896

SUBJECT.

Relative to the question of granting special facilities for the encouragement of fish-curing industry throughout the Madras Presidency

Reminder already issued.

No. 1270 SR, dated 17th March 1897
 " 2449 " " 31st May "
 " 3762 " " 23rd August "

SR.
No. 4324

To
The Secretary to the Govt. of Madras, Revenue Deptt.

SIR,

I am directed to invite attention to the communication marginally noted,* and to request the favour of an early reply.

I have the honour to be,

SIR,

Your most obedient Servant,

R. D. D. D.
Deputy Secy. to the Govt. of India.

27-9

The Hon: Sri Henry D. S. K. C. S. E. For orders:-

With the foregoing Progs the Board of Revenue submits the report called for in G.O. No 43 of 28-1-96 on the question of affording special facilities to the fishcurers in view to the development of the industry. In reviewing the Administration report of the Salt Dep^t for 1894-95 the Govt observed that there was a continuous fall in the operations since 1890-91 on the West coast and since 1891-92 on the East coast and that this decrease was ascribed to the unfavourable character of the fishing season during recent years. The Govt, however, was of opinion that other causes might have contributed to the result and accordingly requests the Board of Revenue to investigate the matter further and report whether any special facilities could be afforded to fishcurers in view to the further development of the industry.

C. 13/11/97.
R. 15/11/97.

2. On an examination of the reports received from the Deputy Commissioners the Board has arrived at the conclusion that the real cause of the decline in the operations should be looked for

- (i) in the unfavourable nature of the fishing season;
- (ii) in the increased consumption of fresh fish; and
- (iii) in the fact that the fishermen find more lucrative employment in other directions.

It is submitted that the causes above admitted to cannot be removed by the grant of any further concessions.

3. The only other causes reported by Deputy Commissioners which have contributed to the fall in the industry are:-

- (i) The rule requiring the fish to be kept in the yards for a certain length of time before being removed;
- (ii) The defective system of curing in nogue and the low proportion of salt issued for curing fish; and as regards the yards in the Malabar District
- (iii) The introduction of a sort of net

net into which the fish are driven by beating the water violently which has the effect of frightening the larger kinds away from the shore

- (iv) The increase in the issue price of salt from Rs 12 to Rs 1; and
- (v) The outbreaks of cholera and small pox which have occurred of late years among the fishermen at the height of the fishing season.

4. As regards (i) the Board, it is thought rightly points out that the removal of the rule is likely to lead to fraud.

With reference to (ii) the Board would give a trial to the proposal of the Asst. Commr. though the Deputy Commr. considers that unless the curers introduce the tub system of salting the concession will have no appreciable effect.

Causes (iii) and (v) cannot be removed by the grant of any concession.

As regards (iv) the ^{Asst. Commr.} Board now proposes to reduce the issue price of salt on the West Coast to 13 annas & pices.

5. As regards further facilities to be afforded to the fishermen the following proposals have been considered by the Board.

(a) Maintenance of the yards on the East Coast in good repair at Govt expense;

(b) Adopting a uniform rate of 6 annas 8 pice per maund on the East Coast;

(c) Reduction in the price of salt to Rs 13-4 in Malabar;

(d) Maintenance of the yards in Malabar in good repair at Govt expense.

6. In para 6 of the Progs ~~the~~ the Board states that the calculations hitherto made to estimate the loss or gain from the operations have been defective as they did not take into account certain items and that on a recalculation it is found that up to the end of 1895-96 the true gain from the operations is only Rs 9,414 and not Rs 1,22,586 as originally assumed. The Board therefore concludes that there is not a sufficient margin for

for the part of the concessions.

Seeing, however, that there has always been a gain in the operations on the West Coast, the Board concludes that if any concessions are to be granted at all they should be granted on the West Coast and that, if the Govt endorses, the upkeep of the yards in Malabar may in future be paid for by the dep^t. The annual cost of such a scheme is estimated at Rs 5,300.

Think so. This is a small matter. It turns out that as a result of these concessions Govt loses, and any right increase in the price of salt will redress the balance.

W.S.
15/11/97

J.
15/11/97.

It is a question for consideration whether the maintenance of the yards on the East Coast may not also be undertaken by the dep^t seeing that it is estimated to cost only Rs 1,000.

7. In connection with the part of concessions to the South Canara fishermen, the Govt of India has requested that it may be furnished with a copy of the orders that may be passed by the Govt of Madras upon the report called for from the B^d of Revenue on the question of affording special facilities for the encouragement of

of the industry. A copy of the
orders that may be passed on
the B's report will be forwarded
to the Govt of India.

//
12-11-97.

Print com.
22/xi/97

Extra Revenue 104.

C. No 8602

S.O. No 10548/16th Dec. 1897.

In the circumstances referred
in para 6 of the Board's Propo-
sals above the Govt. agrees
with the Board in considering
that there is not a sufficient
margin for the grant of any
very extensive concessions
for the development of the
fishing industry. The Govt.,
however, considers that the upkeep
of the quays both in Melaka
and on the East Coast may
in future be paid for by the
dept. The grant of this
concession is estimated to cost
about Rs 6300^{approx} and if experience
should show that the Govt.
loses in the aggregate, a very
slight increase in the price
of salt will redress the
balance.

2. a copy of these Propo-
sals will be forwarded to the Govt. of
India with reference to
para 7 of its letter no
of 5.5.96.

KD

// 22/11/97

ack.
11-11-97

ke D. A. - Race (v. R.)
Dec. 21-12-97 40/3

Суд: № 1054 А.

copy to the list of Luthra deep &
of June & June

Recd.

Enclosures

1897

Regd.

Spare copies

G.O., Nos. 1054, 1054A, 16th December 1897.

DECEMBER.

The Fish-curing Industry.

Passing orders on Board's Proceedings regarding the question of affording special facilities for the development of —.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following Proceedings of the Board of Revenue (Separate Revenue), No. 410, dated 23rd September 1897:—

Read—Letter from the Deputy Commissioner of Salt, Abkari and Customs Department, Southern Division, dated 15th July 1897, No. 3231.

ABSTRACT.—Submitting particulars showing the expenditure on the Gollah establishment debitable to fish-curing in the Calicut Sub-division.

Read—G.O., No. 1640, Revenue, dated 2nd September 1897.

Resolution—No. 410, dated 23rd September 1897.

In reviewing the Salt Administration Report for 1894-95, Government remarked in paragraph 20 of its order, No. 43, Revenue, dated 28th January 1896, that other causes than the unfavourable character of the fishing season might have contributed to the continuous fall in the quantity of fish brought to be cured since 1890-91 in the West Coast yards and since 1891-92 in the East Coast ones, and requested the Board to investigate the matter further and report whether any special facilities could be afforded to fish curers in view to the further development of the industry. The Board presumes that it was not intended that the additional advantages suggested were intended to entail any expenditure beyond the utilization of the surplus revenue now derived from fish-curing.

2. Taking the East Coast first, the Board observes that the transactions in the yards of the Negapatam Sub-division during the period under review have shown an increase and that the decline noticed by Government was only in the remaining sub-divisions. The Deputy Commissioners who were requested to carefully examine the causes of the decline report that it was due chiefly to the unfavourable character of the fishing season of late years and that it may partly have been brought about by the following causes peculiar to individual localities:—

- (a) in the Northern and Central divisions, *to the increasing demand for fresh fish.* That fresh fish is much more largely consumed in the interior of the Vizagapatam district than it used to be, the Commissioner has often noticed. It is now regularly sold in such towns as Vizianagram, Anakapalle and Yellamanchili—places where it could only be obtained by special arrangements a few years ago. The same extension of the market for fresh fish has probably occurred elsewhere.
- (b) in the Northern division, *to the decline of the fishing industry, owing to better wages being obtainable on the East Coast Railway works and in Rangoon and other places.*

This also is a valid reason. Fishermen are the most useful hands obtainable for many highly-paid forms of work in connection with trade and transport and are more and more freely employed in this way every year.

(c) in the Central Division, *to rules requiring the fish to be kept in the yards for a certain length of time before being removed.*

(d) in the Southern division (Tinnevely Sub-division), *to the defective system of curing in vogue and to the low proportion of salt issued for curing fish.*

It appears that fish salted at the fish-curing yards has been objected to in the interior as unfit for food. This is due to the unscientific method of curing adopted (burying the fish in the ground wrapped up with salt in mats) and not to the proportion of salt issued being low as it is decidedly the reverse.

3. Of the reasons assigned in the preceding paragraph for the decline in operations, those marked (c) and (d) are removable, but the rule referred to in case (c) is very necessary to prevent frauds on the part of the petty officers, which, even under existing conditions, are difficult to detect. Without such a rule, fictitious entries could be made in the accounts without chance of detection as, even if an inspecting officer visited the yard immediately afterwards and wished to examine the fish, their absence would at once be explained as being due to the fishermen having already removed them. In regard to (d) the Assistant Commissioner's suggestion to raise the proportion of salt issued to fish cured may be given a trial, but the Deputy Commissioner is not sanguine that this will have any appreciable effect on the extent of the operations unless the curers introduce the tub system of salting in lieu of that at present in vogue. The conservative instincts of the population will probably prevent this reform being introduced.

4. As to the West Coast, leaving South Canara (to which special facilities have recently been given) out of account, the Deputy Commissioner reports that, while the decline may possibly be due in part to,—

- (1) the introduction of the "Thattu Vala", a sort of net into which the fish are driven by beating the water violently which has the effect of frightening the larger kinds away from the shore;
- (2) to the increase in the issue price of salt from As. 12 to Re. 1; and
- (3) to the outbreaks of cholera and small-pox which have occurred of late years among the fish-curers at the height of the fishing season;

he cannot accept them as altogether sufficient seeing that, although they existed in full force in 1895-96, the transactions in Malabar in that year showed an enormous increase, being the highest on record. This view is corroborated by the fact that, notwithstanding the liberal concessions granted to the curers in South Canara, the decline in operations in 1896-97 was most marked. The Board, therefore, agrees with the Deputy Commissioner in considering that the real cause of the decline both in the East and West Coasts should be looked for in the unfavourable nature of the fishing season, the increased consumption of fresh fish and the fact that the fishermen find more lucrative employment in other directions.

5. The Deputy Commissioners, on being asked to state what additional facilities could be given to fish-curers, suggested that the concessions detailed below might be made and the effects watched so as to see whether the industry would improve. To understand these proposals it is necessary to explain that, when fish-curing yards were first opened as an experimental measure, the necessary buildings and fences were constructed and maintained at Government expense with reference to G.O., No. 910, dated 22nd July 1874. Subsequently, however, a diversity of practice arose, originating generally in fishermen offering to assist in the upkeep of yards at places where the department did not consider them absolutely necessary and undertaking in some cases to construct the buildings and fences at their own cost and to execute repairs in others. In March 1892, the Board suggested that, as the fish-curing industry had

been placed on a firm basis, the future policy of Government in regard to the opening of new yards should be that the curers should provide the site and the necessary buildings. This was approved by Government in G.O., No. 428, Revenue, dated 29th April 1892. In July 1892, the Board further ordered that, in consideration of the extensive scale on which the industry was being conducted on the West Coast and the profitable character it had assumed, the cost of upkeep of the yards there should also be borne by the curers, and that on the East Coast the same course should be followed with regard to such of the yards as the Deputy Commissioner considered sufficiently advanced for it—*vide* Board's Proceedings, No. 384, dated 13th July 1892, recorded in G.O., Mis. No. 3869, Revenue, dated 30th August 1892. The yards on the East Coast to which this latter order has been extended by the Deputy Commissioners are—

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All the yards in the Northern division.

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The proposals made by the Deputy Commissioners were—

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(2) On the West Coast (except in South Canara where special facilities have already been afforded), to leave the curers to keep up the yards (which would cost Rs. 5,300 a year) as at present, but to reduce the sale price of salt from Re. 1 to As. 13-4.

6. The Board was at first of opinion that with such a large balance as Rs. 1,32,000

Concessions that might be granted.	What they would cost Government in the case of 1 and 4, and what Government would lose in the case of 2 and 3.	Rs.
(1) Maintenance of the yards on the East Coast in good repair at Government expense	1,000	
(2) Adopting a uniform rate of As. 6-8 in the East Coast	4,600	
(3) Reduction in the issue price of salt to As. 13-4 in Malabar	16,500	
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in favour of Government up to the end of 1895-96, notwithstanding the annual additional debit of about Rs. 5,600 to fish-curing on account of the facilities recently given to the South Canara fishermen, some concessions might be granted to the curers in one or other of the ways noted in the margin, but, after a careful scrutiny of the figures, it finds that the usual method of calculating loss or gain on fish-curing operations has been defective and that the following items which should properly have been debited to the West Coast have not been taken into account:—

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- Interest at 5 per cent. on capital cost of gollahs and works.
- Upkeep of gollahs.

If these items also are included in the calculation the true gain to Government from the commencement of the fish-curing operations is estimated to be only a little over Rs. 9,000 as debits on account of these items have to be made as shown below:—

	Rs.
A. From 1879-80 to 1895-96 at an average of Rs. 2,750 per annum	46,750
B. From 1879-80 to 1886-87 on Rs. 40,000 = 16,000	37,918
From 1887-88 to 1890-91 on Rs. 45,200 = 9,040	
From 1891-92 to 1894-95 on Rs. 50,640 = 10,128	
Form 1895-96 on Rs. 55,000 ... = 2,750	
C. Upkeep of gollahs calculated at 5 per cent. of the capital cost	37,918
	1,22,586

True gain to Government = (1,32,000—1,22,586) ... 9,414

7. It will thus be observed that, up to the end of 1895-96, the receipts in both the East and West Coasts together have barely sufficed to meet the expenditure and that even the small surplus of Rs. 9,414 above referred to will shortly be swallowed up by the concessions granted to the South Canara fishermen. If, therefore, additional concessions are to be granted to the curers at all, the cost must be met from the estimated savings of future years. In 1896-97, the gain to Government on the West Coast was Rs. 15,503, calculated in the old way, but allowing for items A, B and C referred to in the preceding paragraph, the real gain was only Rs. 8,000. On the other hand, the operations on the East Coast in the same year resulted in a loss to Government of nearly Rs. 6,000, and deducting this, the surplus really available is only Rs. 2,000. The question, therefore, is to what yards, if any, this sum should be devoted and how.

8. First as to the East Coast yards, as a whole there has never been any surplus derived from them, they having been always worked at a loss. Taking the transactions from 1891-92, it will be seen that in the Chatrapur, Chicacole, Chingleput and Negapatam Sub-Divisions, the expenditure has always been in excess of receipts, and in Masulipatam and Nellore almost double the receipts. In Cocanada alone, the receipts barely cover the expenditure. In Tinnevely, the receipts have hitherto been more than the expenditure, but in 1896-97 they were less. The Board does not, therefore, see how it can recommend the grant of any additional facilities on the East Coast as they will have to be given at the expense of Government. It, therefore, considers that, if concessions are to be granted at all, they must be given in Malabar where alone the yards are worked at a profit to Government. In these circumstances, the upkeep of the yards in Malabar may for the future be paid for by the department if Government so desires, the annual cost being estimated at Rs. 5,300 as stated in paragraph 6 *supra*. As shown above this will probably result in a loss to Government, but it must be remembered that the surplus under fish-curing has been and is secured only on the West Coast and the loss takes place on operations with which the West Coast has no connection. On the other hand, the industry being already well established there hardly requires to be further favoured.

(True Extract.)

(Signed) N. S. BRODIE,
Acting Secretary.

To the Secretary to Government, Revenue Department.

ORDER—No. 1054, Revenue, dated 16th December 1897.

Separate Revenue No. 109.

In the circumstances reported in paragraph 6 of the Board's Proceedings read above, the Government agrees with the Board in considering that there is not a sufficient margin for the grant of any

extensive concessions for the development of the fish-curing industry. The Government, however, considers that the upkeep of the yards, both in Malabar and on the East Coast, may in future be paid for by the department. The grant of this concession is estimated to cost about Rs. 6,300 a year, and if experience should show that the Government loses in the aggregate, a very slight increase in the price of salt will redress the balance.

2. A copy of these Proceedings will be forwarded to the Government of India with reference to paragraph 7 of its letter, No. 2398-S.R., dated 5th June 1896.

(True Extract.)

(Signed) G. S. FORBES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).

Endorsement No. 1054A.

Copy to the Government of India, Department of Finance and Commerce.

(Signed) G. S. FORBES,
Ag. Secretary to Government.

Erd. Shaik Karim.

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