

Revenue Department

NO 247

Enter 26 — 2 — 1859

Fort Saint George, Revenue Consultation of 1st March 1859.

No. 3. Read the following letter from J. D. SIM, Esq., Secretary to the Board of Revenue; to J. D. BOURDILLON, Esq., Secretary to Government, R. D. dated Fort Saint George, 26th January 1859, No. 282.

SIR,

With reference to the Proceedings of the Board, under date the 30th July 1858, which have been furnished to Government, I am directed to state that the measures to be taken for the substitution of a system of Excise on Salt for the Monopoly in the District of Madras have been nearly settled, and that having received from the Collector of Malabar a Statement of his views as to the arrangements necessary in that Province, the Board have authorized him to permit the Ryots to prepare Pans, and pointed out the further information they require. From the Collector of Canara, however, they have obtained no reply to their Proceedings announcing the contemplated change, and are unable therefore to submit their views on the arrangements to be adopted in a complete form. An urgent call has been made on the Collector of Canara. In the meantime it seems desirable, to obviate delay, that the provisions of the necessary Legislative

Act should undergo discussion, and I am directed, therefore, to submit a Draft,* framed in a great measure from one prepared by the Collector of Madras, for the consideration of the Right Honorable the Governor in Council, and for reference to the Law advisers of Government if thought expedient.

No. 4. ORDER THEREON, No. 247; dated 26th February 1859.

The Government approve of the Draft Act for legalizing the substitution of a system of excise for the present method of collecting the Salt Revenue, submitted by the Board in their Secretary's letter recorded above, and they request that the Board will, in concert with Mr. Mayne, put it into proper shape for early transmission to the Madras Member of the Legislative Council.

(Signed) J. D. BOURDILLON,
Secretary to Government.

AN ACT TO LEVY A DUTY BY WAY OF EXCISE ON SALT MANUFACTURED
IN THE PRESIDENCY OF PORT ST. GEORGE.

Whereas it is expedient that the Government Monopoly of Salt within the Madras Presidency shall cease, and that an Excise duty be levied upon all Salt manufactured therein, it is enacted as follows :—

2. In whatever District it shall please the Governor in Council by an order in Council to introduce a system of Excise on Salt, the following provisions shall be in force, and all Regulations and Acts relative to Salt heretofore enacted shall stand repealed in respect to such District, except in so far as such Regulations and Acts repeal any other Regulations or Acts and except as to all engagements entered into, acts done, offences committed, or penalties incurred at the time such order is issued.

3. Liberty to manufacture Salt shall be enjoyed by all persons who may receive a License from the Collector, which License shall specify the pan or place at which the grantee may manufacture Salt, and shall embrace such conditions as the Board of Revenue may from time to time prescribe.

4. A License shall not be refused for manufacturing Sea Salt at any pan at work at the time of introducing such Excise unless the pan shall remain unworked for three consecutive seasons.

5. Any person manufacturing or aiding or otherwise concerned in manufacturing Salt without a License, or contrary to the provisions of his License, shall be punishable with imprisonment, with or without hard labor for a term not exceeding three months or fine not exceeding 500 Rupees or both, and further the pan, or other place of manufacture may be suppressed and the Salt itself confiscated by the Collector.

6. The Collector, under orders from the Board of Revenue, may suppress any Salt work which on an average of three consecutive years shall not have produced yearly 5,000 Indian Maunds of Salt, and may refuse to grant a License when the proposed place of manufacture is deemed objectionable by him.

7. The Salt shall be stored at a spot or spots selected from time to time by the Collector, or other duly authorized Officer, as near as convenient to the place of manufacture.

8. The Collector shall station at each Salt work, one or more Officers for the due supervision of the manufacture, production, store and sale of Salt, and the collection of the Excise duty; and such Officers shall have free passage over such works at all times.

9. An Excise duty of 12 Annas per Indian Maund shall be levied on all Salt manufactured in the territories subject to the Government of Fort St. George at the time of sale.

10. After the Salt has been weighed, and the duty thereon paid, the person to whom it may be delivered, shall receive a permit authorizing its removal from store, and such permit shall specify the quantity to be removed and the Excise duty levied thereon.

11. Around each Salt work and Store, Preventive stations shall be established by the Collector at which the permit shall be delivered up, and the Salt, if agreeing with the permit allowed to pass, after which it shall not be liable to further interference on the part of the Government Officers.

12. Salt manufactured at the Pans under charge of the Collector of Madras shall be brought into store under Official permit and not otherwise; and all Salt in excess of one Indian Maund found within two miles of such Pans, except in transit to store, shall be liable to confiscation together with the vehicles, boats, animals and packages employed in conveying the same.

13. Salt of whatever description the produce of any Foreign Territory or Native State when imported by land shall be imported by certain routes *only* to be notified in the Official Gazette and shall be charged a duty of customs of 12 Annas per Indian Maund, leviable at such places on the Frontier as the Government may determine, and on such payment being made a Certificate shall be granted stating the quantity of Salt passed and the customs duty levied.

14. Salt of whatever description the produce of any Foreign Territory or Native State not proceeding by the established routes, or unaccompanied by such Certificate, shall be liable to confiscation, together with the carriages, animals and packages used in conveying the same.

15. A duty of 12 Annas per Maund shall be charged on all Salt imported by sea into the Madras Presidency, and such Salt shall be imported only at such Ports as may from time to time be notified in the Government Gazette.

16. The Governor in Council may from time to time by Public Notification, authorize the Officers appointed to collect the duty to remit the whole or any portion of the full duty, of 12 Annas per Maund, according to the Port to which it is intended to export Salt or otherwise, and to give such time for payment of duty, and to make such conditions and exact such terms on such remission, or giving time for payment of duty as to the said Governor in Council shall seem fit; but in all cases in which any time is given for payment of duty, or duty is not absolutely remitted, the person who may have to pay the same shall give security with or without sureties to be approved by the Officer taking the security, which security may be according to a form similar to that in Schedule A of this Act.

This clause seems to need some revision

17. Any security given under this Act may be realized and enforced by any person appointed to collect duties under this Act by seizure and sale of any property whatsoever, of which the person giving the security, and his sureties, or their representatives, are the ostensible owners under a warrant to be granted by the Collector of the District, which warrant may be according to the form in Schedule B of this Act.

18. Any person who shall be concerned in passing Salt either by land or by sea contrary to the provisions of this Act shall be punishable with imprisonment with or without hard labor in irons for a term not exceeding three months or fine not exceeding 500 Rupees, or both, and the Salt shall be liable to confiscation together with the vehicles, boats, animals and packages employed in conveying the same.

19. Whoever intentionally obstructs any Officer in the exercise of any powers given by this Act to such Officer, shall be punished with imprisonment with or without hard labor for a term not exceeding three months, or fine not exceeding 500 Rupees or both.

20. Whoever being an Officer appointed under the authority of this Act, shall directly or indirectly accept or obtain or attempt to obtain from any person any property as a consideration for doing or forbearing to do any official act, or shall practice or attempt to practice, any fraud for the purpose of injuring the revenue, or shall abet or connive at any such fraud, or at any attempt to practice any such fraud shall be punished, with imprisonment with or without hard labor in irons for a term not exceeding two years, or fine not exceeding Rupees 1,000 or both.

21. All Police Officers are required to aid the Salt Officers in the due execution of this Act, upon notice given, or request made by such Salt Officer, and any Police Officer, who without lawful excuse shall refuse or neglect to assist as aforesaid, shall be liable to imprisonment for a term not exceeding three months, or fine not exceeding Rupees 500 or both.

22. All confiscations under this Act shall be adjudged by the Collector of the district in which the offence whereby such penalty was incurred may have been committed, or by any Officer exercising the powers of a Collector, Sub-Collector, Assistant or Deputy Collector subject always to an appeal within three months to the Board of Revenue.

23. The Officer adjudicating the case may at his discretion grant either wholly or partially to informers or seizers, the fines collected, or sale proceeds of articles confiscated under Sections 5, 12, 14, 18, and 20 of this Act, in such portions as he may see fit.

24. The Supreme Court shall have no jurisdiction to inquire into any act, matter or thing, done or about to be done, under colour of this Act and a Certificate of any Secretary of Government shall be conclusive evidence of the act matter or thing complained of, being done under or under colour of this Act; but if any person shall consider himself aggrieved by any such act, matter or thing, he may bring his action within three months in the Civil Court of the District in which the cause of action arose, save and except when it shall have arisen within the Collectorate of Madras, when the action shall be brought in the Civil Court of Chingleput.

SCHEDULE A.

By this Security, given under Act of it is witnessed that A, of having been granted a Pass for Maunds of Salt by B, Collector of the said A and C and D, his securities, hereby undertake, on or before the day of to pay to the Madras Government or its Officers the sum of Rupees for duty thereon; and it is agreed that the Officer holding this security shall be the Judge of the sufficiency of the evidence produced (and any other terms and conditions sanctioned by Government).
Dated

Witness.

Signature.

SCHEDULE B.

This Warrant, granted under Act is to authorize of to levy the sum of Rupees by seizure, and if necessary by sale, after ten days' notice, of immoveable or moveable property, ostensibly the property of

Signature of Collector.


Secretary.

Memorandum

In their resolution dated 31st May 1858 N^o 939 the Government of India reviewed the report of Mr. Plowden, the Commissioner appointed in 1853 to enquire into the salt monopoly in India.

The Madras Government was requested towards the end of the resolution, "to give its attention to those sections of the report which relate to the Madras Presidency and to take early steps for substituting the Bombay system of excise for the present system of manufacture throughout the Presidency, commencing with Malabar, Canara, and the Madras Collatorate."

The Board of Revenue were accordingly desired, on 6th July 1858 "to take early steps for gradually substituting the Bombay system of excise for the present system of manufacture throughout the Presidency, and to state whether they thought

M. C. N^o 28. R. D.

1839 Department

Enclosure A is a letter
from the Secretary to the
Board of Revenue to the
Secretary to Government dated
26 January 1839.

P 138/59

The act to lay a
duty by way of excise on
salt manufacture in the
Presidency of Madras.

Mr. Plowden

thought that Malabar and Canara were proper districts in which to commence the change."

In their Proceedings dated 30th July 1858 N^o 2898 the Board of Revenue remarked that instructions had been sent to the Collectors of Madras, Canara and Malabar to propose arrangements and establishments for the adoption of a system of excise on salt in lieu of the monopoly.

And in their Secretary's letter dated 26th January 1859 N^o 282 the Board report that the measures to be taken for the substitution of the excise system for the monopoly have nearly been settled, and that the Collector of Malabar has been authorized to permit plans to be prepared in his district.

The Collector of Canara has as yet made no report on the subject but has been urgently called upon to do so.

In the mean time however the Board submit a Draft Act, drawn up
* An Act to lay duty by way of excise on salt manufactured within the Presidency of Fort St. George.

up partly from one prepared by the Collector of Madras, and partly from the Bombay excise Act.

The views of Mr. Howden with reference to the introduction of the excise system into Madras are to be found in Paras 610-711 of his report p/p 92-114.

And his suggestions are recapitulated, in the form of a summary in p/p 712.

These suggestions have, as far as is practicable and necessary, been attended to by the Board in preparing the Draft act; while certain provisions found requisite in Bombay have been introduced, and others to meet local necessities or peculiarities.

Thus para 16 gives authority to the Governor in Council to remit the whole or any portion of the duty on salt: this provision, seemingly unnecessary, is made because the Judges of the Bombay Supreme Court were of opinion, that any reduction was a

See appendix to salt report p/p 57-58.

was illegal; and that no action could be sustained for breach of a bond to pay a duty less than the full sum which is leviable by law.

The provision in Para 12 is rendered necessary on account of the peculiar situation of the salt works of the Collectorate of Madras. At all the other Kotars, the place of storage is in the midst of the Pans, and the same establishment can look after the manufacture and storage; But in Madras the platform where salt is stored is opposite to Black Town and the pans at and near Ennore 12 miles off so that without the provision made, a double establishment would be rendered necessary.

In para 24 the certificate of the Secretary to Government and not of the Board is made requisite, because, inasmuch as the Board will be the authority in charge of all the salt works, and virtually the agents of every thing connected with them, it would be making

making them judges of their own cases to allow them to certify. This was explained to me by Mr. Sim who also said that the Board hoped that if it was judged advisable to refer the draft for legal opinion it might be to Mr. Mayne, as Mr. Gale and Boyson have not shewn themselves very prompt in replying to the references made to them. The orders of Government are now requisite on the subject.

Under the excise system, the spontaneous salt in the salt Lagoons will of course be preserved and petolized to the utmost extent, instead of destroying it every year at the expense of the state.

The immense swamp in the Tanjore district lying between Point Calimere and Adirampattanam, will doubtless become extremely productive. In pursuance of the last suggestion in Mr. Plowden's summary I would commence by making creeks to the interior easy from this swamp. The shallowest part

are crystals
contains salt
finer than
I have seen
at the Pans
in the same
quantity -
The swamps
are
a perfectly good - 2nd

part of the swamp, and consequently the most capable of producing salt, is the Eastern extremity. Flat bottomed boats could generally communicate with Muttupetta (along the deeper part of the swamp) a rising and thriving town situated at the Western extremity, inhabited chiefly by enterprising Labbay Merchants. If the road from this place (already roughly constructed, and the streams bridged) were put in efficient order as far as Adrampatnam, communication with Trichinopoly and the large towns in the interior would be largely facilitated. Besides the swamp several productive pans lie between Muttupetta and Adrampatnam; these (it was so when I left the district) have never been provided with roads to facilitate the transport of the salt to the Interior. The same remark applies to the whole of the Pattukotta Talook of Tanjore where there are many salt pans. It strikes me that

40 m

a canal might be constructed at a small expense

except one bridge close 2½ m / 8 kash Pattukotta; built up & the + 13 m point, but * 44 m stopped under the restorative order 7 July / 89

① Road from Adrampatnam to Pudukkottai completed in / 55 I think.

that one obvious way of diminishing the manufacture of, and by consequence the smuggling into one territory of very inferior Earth salt produced in the Tondianan Rajas Country, is to facilitate the supply of good salt from the salt pans situated in the stripe of land lying between the Rajas dominions and the sea, viz. the Pattukotta Talook of Tanjore. While the rest of Tanjore is a century in advance of most Districts this part of it is just as backward as regards communications, as Madura.

M. N.
Feb 11.

Memorandum
Rev. 138

R. I.

247

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Extract from the Minutes of Consultation
Under date the 26th February 1859.

Read the following letter from the
Secretary to the Board of Revenue

dated 26 Jan 1859. No 282.

The Govt approve of the Draft
Act for legalizing the substitution
of a System of Excise
for the present method of
collecting the Salt Revenue,
submitted by the Board in
their Secretary's letter recd
above, and they re-
quest that the Board will,
in concert with Mr Mayne
put it into proper shape
for early transcription to
the Madras Members of
the Leg. Council.

3 Copies to the Secy of Rev. Dated 28th

M.A.

16th Feb 1859

R. Cons. 21st Sept 1858 to 55-56
2nd of Sept - 11 @ 44

Copy sent as Letter to E.
d/18 May 1859. N^o 15.

Revenue 1859 Deptth.
D^o to Cons. 1st March.

N^o 247.

Extract Minis of Cons.
D/ 26th February 1859.

From the Secy to the B^d of Revc. 7/284

April 1859 N^o 14 in Cons. 17 May
32236.

21/10/65

Approving of the Draft
Act for legalizing the substitu-
tion of a system of excise
for the present method of
collecting the Salt Revenue
and requesting that the Board
will, in concert with Mr
Mayne, put it into proper
shape for early transmission
to the Madras Member of the
Legislative Council.

N^o 3 & 4.

c/16th July 1825