M.R.O. 14—13,000—27-9-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1614 Press ~~Mis.~~

334-335

Dated 19 — 7 — 1867.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 19th July 1867.

No. 334. Read the following papers:—

Proceedings of the Board of Revenue, dated 25th March 1867, No. 1,869.

1. The subjoined Statement shews in how many instances, during the last year of the currency of Rowannahs, smuggled salt was seized, owing to its not being covered by a Rowannah, and the quantity secured in each case.

2. It will be observed from the Statement, that the total number of instances in which such salt came into the hands of the authorities in the whole Presidency was 185, and that it aggregated Maunds 827-35-37½. The total average quantity seized was Maunds 4-19-0·2.

Ganjam.	Nellore.
Vizagapatam.	Madura.
Godavery.	Malabar.

3. It will further be noted that contraband salt was discovered only in the six districts in the margin; and that the quantity captured in four of the districts was inconsiderable.

4. Before re-submitting the question for the decision of Government, the Board resolve to forward a copy of their Proceedings, dated 12th April and 5th July 1866, Nos. 2,505 and 4,554, with the Government Order, dated 21st May 1866, to the Inspector General of Mofussil Police, with the request that he will favour the Board with his views on the subject under discussion in these papers.

Statement shewing the number of instances in which smuggled salt was seized during the last year of the currency of regular Rowannahs, and the quantity seized in each case.

Districts.	Number of instances in which smuggled salt was seized.	Maximum quantity seized.	Minimum quantity seized.	Total quantity of salt seized during the last year of Rowannahs.	Average quantity seized in each case.
		MDS. S. T.	MDS. S. T.	MDS. S. T.	MDS. S. T.
1. Ganjam	44	100 0 0	0 0 27	216 8 17	4 36 5·8
2. Vizagapatam	89	... ...	... ...	500 0 0	5 23 9·5
3. Godavery	32	18 3 9	0 0 12	80 20 7	2 20 10·2
4. Kistna	...	... ...	... ...	... ...	... ...
5. Nellore	1	0 2 0	... ...	0 2 0	0 2 0
6. Cuddapah	...	... ...	... ...	... ...	... ...
7. Bellary	...	... ...	... ...	... ...	... ...
8. Kurnool	...	... ...	... ...	... ...	... ...
9. Madras	...	... ...	... ...	... ...	... ...
10. North Arcot	...	... ...	... ...	... ...	... ...
11. South Arcot	...	... ...	... ...	... ...	... ...
12. Tanjore	...	... ...	... ...	... ...	... ...
13. Trichinopoly	...	... ...	... ...	... ...	... ...
14. Madura	1	0 0 1⅛	... ...	0 0 1⅛	0 0 1·6
15. Tinnevelly	...	... ...	... ...	... ...	... ...
16. Coimbatore	...	... ...	... ...	... ...	... ...
17. Salem	...	... ...	... ...	... ...	... ...
18. South Canara	...	... ...	... ...	... ...	... ...
19. Malabar	18	10 38 0	0 4 0	31 5 12	1 29 3·3
Total ...	185	129 3 10⅛	0 4 39	827 35 37½	4 19 0·2

No. 3344. Proceedings of the Board of Revenue, dated 5th July 1867, No. 4,205.

Read again Proceedings of the Board of Revenue, dated 25th March 1867, No. 1,869.

Read also the following letter from the Inspector General of Madras Police, to the Secretary to the Board of Revenue, dated Madras, 20th May 1867, No. 842.

1. I have the honour to acknowledge the receipt of the Board's Proceedings, dated 25th March 1867, No. 1,869.

2. The subject of Salt Rowannahs has engaged my attention for years, and I have visited most of the Salt Factories, &c., in the Presidency. I look on the revival of the Rowannah system, as proposed by the Board, with great apprehension.

3. The Rowannah system had two objects; first, detection of the removal and sale of spontaneously formed or illicitly made salt; and secondly, a check on fraudulent surplus storage and sales by the public servants.

4. Under the old system, the working of the Rowannah system was merely nominal in most districts, as the Statement annexed to the Board's Proceedings shews. Illicit salt could always be detected by its quality and appearance. For this the Rowannah system is *not* and was never necessary. On the other hand, the Talook Revenue officials were slow to attempt to expose frauds of Salt officials who are immediately under the Huzoor Establishment, and shared in some cases at least their gains with influential Officers there. Thus, on the whole, carriers of salt were not harassed under the old system; roads were not patrolled, and they were rarely challenged.

5. But things have changed. Magistrate's Establishments are nearly as numerous as heretofore, but they are now more intelligent, and would be more rigid in carrying out orders. There are now Police stations within every ten or fifteen miles of each other along every high road, which are constantly patrolled for the prevention and detection of crime. Policemen are closely supervised, and if the Rowannah system be revived, and rigidly carried into effect, the men will be required to challenge all salt-carriers wherever they meet them. Thus, wretched salt-carriers will be challenged at every few miles. At every station they pass, they will be asked to compare the salt they have packed up with the Rowannah, and much needless annoyance must result. The Board may be assured that the steady vigilance of superior officers will not be effectual to prevent occasional or perhaps frequent extortion. Nor do I see that the revival of the Rowannah system will answer any practical end, which cannot be, and is not even now in a great measure, obtained without it. As above observed, the detection of illicitly-produced salt is one of the principal objects in view. Under the Rowannah system such salt can almost always be detected, as in colour and quality it differs widely from salt manufactured by the regular process, and a suspected smuggler may be required to shew how he became possessed of the salt he has with him, as easily as a suspected character can be required to account for the possession of property suspected to have been stolen.

6. After a careful examination of the matter in a number of districts, I do not think that any very considerable quantity of illicit salt finds its way into market at a moderate distance from the coast. On the coast a good deal is consumed for domestic purposes; fishermen on the shores cure their fish with it, and the fishermen on the Vedarniem swamp of Tanjore bury the produce of their day's work in the deep strata of salt which cover the swamp. But this could not be reached by a revival of the Rowannah system, and I am satisfied that the use of illicit salt is in a great measure confined to a comparatively narrow strip along the shore. If the Police Returns for some years past of illicit salt confiscated be examined, it will be found that, even were the salt shewn therein, not one-tenth of what passed unchallenged, the whole quantity would be an insignificant matter when viewed in a financial point of view. Take even the case which Mr. Carmichael reported in 1865. The quantity of salt taken from many hundreds of houses searched along the whole sea-board (Mr. Carmichael's returns do not shew one-half, probably, not one-third of the houses then searched) amounted to but a few maunds of salt, although bandy loads of Fuller's earth and tons of mud, from which a very small per-centage of salt could be extracted, were carried away. But the best proof that illicit salt is not largely in market in most districts is shewn from the fact that the small trade discount of five per cent., allowed to wholesale buyers, has enabled retail dealers to set up a very profitable retail trade in the immediate vicinity of the coast. I found, on my recent tour to the Southern Districts, that at many of the Salt Factories, persons who purchase a heap at a time, at the usual trade deduction of five per cent., were deriving very useful and thriving retail trade alongside the Government platform. This could not have been the case had they to contend with any appreciable quantity of illicit salt sold in the markets even in the immediate vicinity of sea coast. I am, therefore, of opinion that it would be in the last degree impolitic to saddle the country with an active and vigilant Rowannah system which would annoy *bonâ fide* dealers for no adequate advantage as respects a trade in illicit salt to the interior.

7. I would venture to suggest to the Board that retail sales at all Salt Factories should cease, except where insuperable difficulty presents itself, and wholesale transactions only be permitted. The Board may be assured that numerous retail dealers would at once settle in the vicinity of platforms, and conduct the retail trade in a manner more conducive to the convenience of the public than that which now obtains. I visited myself the other day the godowns of no less than four rival wholesale buyers and retail traders, who traded round the salt-platforms, situated few miles north of Tuticorin. It would become the interest of these persons to discover and bring to notice any extensive use of illicit salt which might prevail.

8. With regard to the detection of fraudulent sales by the Salt Establishments, I do not think that it would be just to saddle the country with the vexatious Rowannah system for this purpose. It is true that in some districts considerable surplus storage takes place even now, and a far larger wastage than ever actually occurs is passed into the accounts, and the difference is sold by the public servants on their own account. In proof of this, the recent discovery at Mercarum may be referred to, and in the Nellore District there is reason to suppose that large excess exists in most of the heaps. The Police there recently detected a fraudulent issue of 7 Maunds under a pass in which 5 Maunds only were entered. In all these cases, the Rowannah, of course, is drawn to correspond with Government

accounts, but to discover even when suspected the excess, it would be necessary to re-weigh the salt at any Police station, or Tahsildar's Cutcherry, where fraud may be reasonably suspected. For this there are no appliances, and it should be borne in mind that the purchaser is a *bonâ fide* purchaser of the whole quantity which he possesses, although, for the purposes of Government officials, he carries an incorrect Rowannah which he himself is unable to read. No legal case could be made out against such a person. I, therefore, think that for this purpose likewise revival of the Rowannah system would be very unfair.

9. It may safely be dispensed with, for, as a rule the Deputy Collectors in charge of Salt are in most districts checking in a considerable degree surplus storage, and the wastage accounts are more carefully watched while the system obtaining as between the Salt Establishment and Police does—for instances of combination are not frequent—check in a considerable degree these fraudulent practices. It is as follows:—

10. The Police are in charge of salt-platforms, and the officer whose duty it is to sell salt, issues to the purchasers his pass, shewing the quantity sold. This is given to the Police Officer at the gate through which it passes, and he is enabled then and there to compare, with fair accuracy, the quantity of salt with the pass which it covers. If any doubts, the means for re-weighing the salt are at hand. In some districts I found that the Head Constable in charge of the salt is present throughout the time the sales are going on, and makes careful note of the quantity issued to each individual which he compares with the pass brought to him by the Constable on duty at the gate. This of course, where *no* combination exists, is a very useful check, and is far more effective than any check of Rowannahs. In some districts, it has been impossible to observe the same care, as the Revenue Establishment were jealous of what they termed an undue interference. The recent order of the Board has removed this difficulty, and I myself think that the system affords a very useful check.

11. In fine, I beg to state that I consider the practical objections to the Rowannah system are very serious; that the annoyance which it must give rise to is almost beyond control; and that any advantages which may be expected from it are too remote and indirect to justify our reimposing so serious an inconvenience on the public. A Rowannah has always proved a futile means of preventing illicit trade in salt, and its revival will not alter its character in this respect.

12. I do not see the analogy between the Salt trade and the Abkarry. The latter is practically an excise, and under it permits are indispensable.

13. My objections apply equally to requiring rail-borne salt to be covered by a Rowannah. There is no smuggling by rail, and neither Police or others can compare the salt in a number of Railway waggons with the Rowannahs.

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1. The papers relate to the question of re-establishing the system of Salt Rowannahs mooted so far back as 1865.

2. The Government in their Proceedings, dated 21st May 1866, No. 1,200, desired to have a Statement shewing the number of instances during the last year of the currency of Rowannahs in which smuggled salt had been seized and the quantity taken in each case. They had before them the opinions of the Collectors

and of the Board on the subject of the revival of Rowannahs, which the Board considered preponderated in weight, though not in number, in favour of the system.

3. The Statement shews that, during the last year of Rowannahs, the small quantity of 187 maunds of salt was seized.

4. On receipt of this information, the Board deemed it advisable to consult the Inspector General of Police on the subject. That Officer, it will be seen, is decidedly opposed to the Rowannah system, and great weight is due to his opinion, as it would be mainly by his subordinates that it would be worked.

5. The Board do not doubt that to a limited extent, and with a certain class, Rowannahs may be of service, but with the information now before them, they have come to the conclusion that a revival of the Rowannah system is inexpedient. The difficulty of carrying it out would be great, while it undoubtedly affords great openings for vexatious interference with traders, and for levying illicit contributions. The Board believe that the evils which the system would cause very far outbalance any good results that may be expected from it, and they, therefore, request permission to withdraw the recommendation contained in their letter to Government, dated 12th April 1866, No. 2,505.

6. The Collectors will be asked to give their opinion upon Mr. Robinson's proposition to abolish retail sales, and intrust the retail trade entirely private to individuals in the vicinity of the salt stations.

No. 335. ORDER THEREON, 19th July 1867, No. 1,614.

Separate Revenue, No. 22.
Salt.

Ordered to be recorded.

(Signed) W. HUDLESTON,
Secretary to Government.

Rec. 31st May 66 No. 3/2 & 36

Rev. 1867. Department.
Pr. of Govt. for July

No. 1783.

PROCEEDINGS OF THE BOARD OF REVENUE,

To all Collectors, &c.

Dated 5th July 1867.
Received 12 c.

No. 4,165.

Submitting to Government letter from Inspector General of Police on proposed re-introduction of system of Salt Rowanahs; withdrawing recommendation made by Board in former of its re-introduction; and requesting opinion of Collectors on Inspector General's proposition to abolish retail sales and intrust retail trade entirely to private individuals in vicinity of salt stations.

No. 1614
Recorded
19th July 67

No. 331-335
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