M.R.O. 1—89,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1843 Press ~~Mis.~~

25-27.

Dated 2-7- ~~19~~ 1868

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, *2nd July* 1868.

Read the following :—

No. 25. Proceedings of the Board of Revenue, dated 20th March 1868, No. 1,990.

Read the following letter from the Collector of Malabar, to the Secretary to the Board of Revenue, dated Calicut, 11th February 1868, No. 41.

Copy of Proceedings of the High Court of Judicature, dated 17th August 1867.

1. I have the honor to submit, for the consideration of the Board, the paper noted. It will be seen that three persons were fined, under Clause 1st, Section 8, Regulation No. I of 1805, by a Sub-Magistrate for establishing salt-pans not on account of, or with permission of Government in the Ponany talook of this district, but that on reference, the High Court quashed the sentence ruling to the effect that under Section 4, Regulation No. II of 1807, Section 8 of Regulation No. I of 1805 is inapplicable to Malabar; and that by Section 2, Regulation No. II of 1807, it is lawful in Malabar to manufacture salt. The salt so manufactured must be sold to the officers, but unless sold to others it seems there is no offence.

2. The law has been strangely overlooked, for a special establishment was actually kept up, not to prevent illicit sale, but to prevent (as it was considered, illicit) manufacture, and only dispensed with on the general Police undertaking the preventive duty.

Convictions and punishments were not unfrequent; and only the implicit popular belief in the legality of the sentences rendered the attempts at private manufacture comparatively few.

3. Now, however, that the manufacture has been found to be legal there is no doubt that it will be attempted on a much greater scale; and it will give considerable trouble. By Clause 2nd, Section 2, Regulation No. II of 1807, the salt privately manufactured is to be sold at a price to be determined with the consent of the respective parties, "that is, the manufacturers and the officers of Government;" but if they do not agree, and the manufacturers determine, or profess to consume their own produce, or even to give it away, the effect of the law is not very clear, for the penal section (Section 3) only mentions salt *sold* to any other than the officers of Government.

IX of 1867.
"To enable the Government to levy a duty by "way of excise on salt manufactured in such "districts of the Presidency of Fort St. George "as the Government may think proper."

4. Anticipating that the Bill noted would have become law ere this, which would have obviated all difficulty, I did not bring the matter forward before, but I would now suggest that Regulation No. II of 1807 be at once repealed in law, as it had virtually been in practice for many long years back, and that the manufacture of salt without the permission of Government be made illegal in Malabar as elsewhere.

The mass of the people still believe it to be illegal; and no hardship will result, nor even inconvenience, save to the few who have hitherto manufactured in secret, believing themselves smugglers, and somewhat to their surprise now find themselves, at least in the eye of the law, as far as manufacture goes, honest men.

Proceedings of the High Court of Judicature at Madras, 17*th August* 1867.

Read letter dated the 26th ultimo, No. 1,783, from the Magistrate of Malabar, referring, at the instance of the Acting Joint Magistrate of Cochin, for the orders of the High Court, under Section 434 of the Code of Criminal Procedure, the Proceedings of the second class Sub-Magistrate of Chowghaut in Case No. 380 of 1867, as contrary to law.

(Here enter H. C., No. 4,074 of 1867.)

1. In this case, four persons were prosecuted for establishing salt-pans and making preparations for the manufacture of salt in the Pattanapalli Amshom, within the Ponany talook, in the district of Malabar, as being an offence punishable under Clause 1st of Section 8, Regulation No. I of 1805; and the first accused person having been acquitted and released, the others were sentenced by the Sub-Magistrate of Chowghaut to pay a fine, or in default to suffer simple imprisonment.

2. The Sub-Magistrate took cognizance of the case under (Madras) Act No. III of 1865; heads of District Police having been authorized, by Act No. VII of 1852, to hear and determine cases of petty offences against the Salt laws. The Acting Joint Magistrate states that there is, however, nothing on record to shew that the convicted parties actually sold salt manufactured by them, and he observes that the Sub-Magistrate must have lost sight of Regulation No. II of 1807, which by Section 2, Clause 1st, has left the inhabitants of Malabar at liberty to manufacture salt, and by Section 4 has declared the provisions contained in Section 8 of Regulation No. I of 1805, above cited, to be inapplicable to Malabar, the only restriction being, that the salt so manufactured by the inhabitants of Malabar shall be sold to the officers of Government alone. For these reasons the Acting Joint Magistrate submits that the Sub-Magistrate acted illegally in the matter, and has requested that his proceedings may be referred for the orders of the High Court.

3. The High Court are of opinion that the Acting Joint Magistrate is right. Regulation No. II of 1807 appears to be still in force, and by Section 4 of that Regulation, Section 8 of Regulation No. I of 1805, under which the defendants were fined, is declared inapplicable to Malabar. By Section 2 of Regulation No. II of 1807, it is lawful in Malabar to manufacture salt. The convictions of the accused parties in this case must accordingly be quashed as being illegal, and the fines levied must be returned.

(True Extract.)

(Signed) T. WILKINS,
Deputy Registrar, Appellate Side.

(True Copy.)

(Signed) G. A. BALLARD,
Magistrate.

Submitted for the information of Government, who have been addressed on the subject of the Salt Excise Bill in Board's letter, dated 6th March 1868, No. 1,619.

No. 26. Proceedings of the Board of Revenue, dated 31st March 1868, No. 2,351.

Read the following letter from the Collector of Malabar, to the Secretary to the Board of Revenue, dated on Circuit at Tannur, in Ponany talook, 17th March 1868, No. 68.

No. 41.

1. Adverting to my letter dated the 11th ultimo, on the subject of the Salt Laws applying to Malabar, I have the honor to report that petty salt manufacture is increasing rapidly; that the difficulty of dealing with the matter is great; and that much inconvenience and loss of revenue will result if steps are not at once taken to put an end to the present anomalous state of things.

2. Since addressing you, I wrote to the Acting Collector of Canara to know what course was followed there. I learn by copies* of correspondence which Mr. Thomas has been good enough to send me, that objection was taken to certain Magisterial sentences passed by his Deputy, punishing the manufacture of salt in Canara some years ago by the then Acting Magistrate, but that the then High Court overruled the Acting Magistrate's objections. It will be seen that the then ruling is opposed to the late one, copy of which was forwarded with my previous letter. So in Canara they seem still punishing manufacture under one ruling of the High Court, whilst here we must abstain from punishing under another.

* Copies enclosed.

3. It seems unnecessary to discuss which ruling is correct. It is evident the law is very obscure; and until other law is enacted I would urge that Regulation No. II of 1807, and Section 23, Regulation No. I of 1805, be repealed as far as Malabar is concerned with the least possible delay. As before observed, no hardship will ensue, for practically these bits of legislation have been absolutely inoperative for some forty years; and it is only now by the letter, and not by the spirit, of the law that petty salt manufacture here is not considered illegal.

ENCLOSURE No. 1.—Copies of correspondence.

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1. Submitted for the consideration of Government in continuation of Board's Proceedings, dated 20th March 1868, No. 1,990.

2. The Board consider it desirable that a Bill for repealing the enactments referred to by Mr. Ballard should be brought before the Legislative Council without delay.

No. 27. ORDER THEREON, 2nd July 1868, No. 1,843.

Separate Revenue, No. 3.
Salt.

1. These papers raise a question of some delicacy, and the repeal of what the Collector terms "these bits of legislation" appears to Government to need careful consideration.

Section 6.

2. Sections 6 and 8, Regulation I of 1805, provide that, if Mirasi manufacturers of salt decline to carry on the manufacture *as usual* on the lands they occupy, when required by the officers of Government, they shall forfeit the benefits derivable from the manufacture (*i. e.*, receiving from Government a fixed payment for the salt as representing the value of their interest in it), and the Government shall be at liberty to employ others to make salt on *those* lands, and that it shall be unlawful for any proprietor or holder of land to establish any manufacture of salt except on account, or with the permission, of Government.

Section 8.

3. Section 23 of the Regulation declares that its provisions shall not for the present operate in Canara or Malabar.

4. Regulation II of 1807, for the extension of the salt monopoly to Malabar and Canara, provides, Section 2, Clause 1, that the land-holders, proprietors, and

inhabitants of Canara and Malabar shall be at liberty to carry on the manufacture of salt *as heretofore.*

5. Clause 2 of the Section provides for the exclusive *sale* of the produce to Government.

6. Section 3 provides a penalty for *sale* to any person other than the officers of Government.

7. Section 4 declares that the provisions of Section 2, Clause 1, supersede those of Sections 6 and 8, Regulation I of 1805 (above quoted), which are considered to be inapplicable to Canara and Malabar, but that in all other respects the provisions of Regulation I of 1805 apply to Canara and Malabar.

8. Thus everywhere, save in Malabar and Canara, land-holders and others could only manufacture salt with the permission and on behalf of Government, and if they declined to manufacture *as usual* the Government officers could employ others to manufacture salt in the salt-pans formerly occupied by the recusants. While in Canara and Malabar any one was at liberty to carry on the manufacture *as heretofore*, and only *sale* to others than Government was made penal.

9. The question of the establishment of a monopoly of salt manufacture and sale was submitted to Government in the Revenue Board's Proceedings, dated 28th June 1804.

10. The majority of the Board were opposed to a monopoly. Mr. Falconar, who was alone in his opinion, advocated it in a Minute, the enclosures to which contain all that had led to the discussion of the improvement of the salt revenue.

11. At paragraph 17 of his Minute he describes the "Mirasi manufacturers" as "the native hereditary manufacturers of salt, or inhabitants with the conditional occupancy and usufructuary privilege of lands in which salt is manufactured by laborers hired for the purpose."

12. At paragraph 47 he says, "Both in Canara and in Malabar landed property is on a different footing to what it has been considered to be in the other territories subject to the Presidency.

"There the greater part of the salt-pans is, and for a long series of time has been, deemed to be the hereditary property of the Jenomkars or native landholders, and it may be expedient, for the present, to leave things there as heretofore, until matured arrangements for the landed property, the salt, and customs revenue, shall have been determined upon, unless the Jenomkars should be disposed to acquiesce in the general arrangements respecting salt.

"Meantime the Collectors, under the control of the Board of Revenue, can take such measures with regard to this salt as may be proper and least likely to interfere with the general arrangement.

"48. By restraining strictly the foreign imports and exports by sea and land, except on account or by authority of the Government, levying a duty, and procuring a remission of sayer or salt passing through the Mysore territories, the revenue from this article is capable of much improvement in Canara and Malabar."

13. The question of the extension of the monopoly to Malabar and Canara was brought forward by the Board in letter dated 30th January 1806, and they submitted with it the correspondence they had held with Mr. Fullerton, the Salt Agent for the whole Presidency, on the subject.

14. From this and the other papers on the Board's records, which have been referred to, it appears to Government that, while both the Collectors of Malabar and Canara approved the assumption, by the Government, of a monopoly of the *trade* in salt, they did not at all contemplate, as involved in the measure, any interference with the right of the proprietors of the salt-pans to make and use all the salt they might require for domestic consumption.

15. They both lay much stress on the primary importance of non-interference with the exercise of any proprietary rights of the people, and on the fact that the proposed measure of buying, on behalf of Government, all the salt for which the manufacturers had hitherto *to seek a market* was an unquestionable advantage to them; but had they conceived that the manufacturers were to lose the privilege they had previously enjoyed, of using the salt manufactured on their lands for their own consumption, as freely as any other description of produce, they would certainly have adverted to the effect of this part of the measure as being, if not open to objection, still in some measure a counterbalancing disadvantage to the gain by securing a constant market.

16. Mr. Warden (Collector of Malabar) says at paragraph 8 of his letter of 20th August 1805: "Every particle of the produce of the pans must necessarily be exclusively *sold* to the Company," but at paragraph 16, he mentions, among the necessary preliminaries to the introduction of the monopoly, "that the Government should purchase up all the salt in the possession of private individuals *intended for sale*," and next, "that all persons having *more* than a specific quantity of salt *for home consumption* in their possession," should be invited to sell the same to Government.

17. It is evident, from many parts of his letter, that the people in Malabar holding stocks of salt for sale were the manufacturers themselves, and the measures taken at the time included the purchase of their warehouses.

18. Mr. A. Reade (Collector of Canara) in his letter of 30th August 1805, notes the necessity for regulations for the prohibition of clandestine *sale* or exportation; but he equally insists on the necessity of satisfying the land-owners in the details of the measure, and making them "contented" and "convinced of our being sensible of their just rights to their landed property and produce." He would scarcely, with these views, have considered the introduction of the monopoly unobjectionable, and advantageous in all respects to the proprietors of the salt pans, had he understood that it involved depriving those proprietors of the right of using such salt as they might require for their own domestic purposes, which they had hitherto enjoyed from time immemorial.

19. In fine the Government find nothing in the papers to indicate that it was ever contemplated to debar salt manufacturers in Malabar and Canara from using such salt as they required for their own purposes, but rather that it was distinctly contemplated to withdraw only their privilege of *sale* to others than the Government.

20. Mr. Ballard shews that there have been contradictory rulings of the High Court as to the freedom of manufacture of salt in these Provinces (as opposed to *sale*), but that the latest ruling upholds the privilege, which seems to be in conformity with the letter of the law, and with the theory of land tenure on the Western Coast.

21. The remedy that he proposes for guarding against the possible risk to the revenue from surreptitious sales, is to repeal the special law and that section of the general law which declares its non-applicability to Malabar and Canara.

Proceedings of the Madras Government, Revenue Department, *2nd July 1868.*

22. The effect would be to debar the owners of land in these Provinces, whose absolute rights over their property have never yet been questioned, from using their lands as they think best, and the Government would much regret to see such an arrangement carried out, as it would probably shake confidence in the stability of rights there to a very injurious extent.

23. The proper remedy is undoubtedly the enactment of the proposed excise law, which will tax *all* the salt produced, and as the setting in of the monsoon will have effectually put a stop to all manufacture, the short delay that is likely to intervene before that law is enacted can have no ill effects on the revenue.

24 The papers will accordingly be referred to the Legislative Department, as affording additional reasons for the excise measure. It will rest with Mr. Ballard, by such new preventive arrangements as he may deem necessary, to see that such salt as may be manufactured shall not be sold to any one but the officers of Government. If he can prove that sales in contravention of the required engagement take place, he may proceed against the guilty parties.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.
,, the Legislative Department.

Exd. S. T. Augustin.

Memo: [illegible]

Bd. Ro. Nos. 1990 & 2351.
of 20 & 31 March/68.
~~and 3d April~~

Salt manufacture
in Malabar.

These papers raise a question of some delicacy & the repeal of what Mr. Ballard terms "these bits of legislation" appears to me to need more considn. than either he or the Bd. seem to have given to it.

Secs. VI. & VIII. Regn. I. of 1805 provide that if known manufacturers of salt decline to carry on the manufacture as usual when required by the Officers of Govt. on the lands they occupy they shall forfeit the benefits derivable from the manufacture (i.e. recg. from Govt. a fixed paymt. for the salt as representing the value of their interest in it) & the Govt. shall be at liberty to employ others

Sec. VI.

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to make salt on those lands.

& that it shall be unlawful   Sec. VIII.
for any proprietor or holder
of land to establish any
manufacture of salt, except
on account of Govt. or with the permission
of Govt.

Sec. XXIII. of the Regn. declares
that its provisions shall not for
the present operate in Canara
or Malabar.

Regn. II. of 1807. for the extension
of the salt monopoly to Malabar &
Canara provides Sec. II. Cl. I.
that the landholders, proprietors
& inhabitants of Canara & Malabar
shall be at liberty to carry on the
manufacture of salt as heretofore

Cl. II. of the section provides for
the exclusive sale of the produce
to Govt.

Sec. III. provides a penalty for
sale to any person other than
the officers of Govt.

Sec. IV. declares that the provisions
of Sec. II. Cl. I. supersede those of
Secs. VI. & VIII. Regn. I. of 1805 (above quoted)

& are considered to be
inapplicable to Canara
& Malabar: but that
in all other respects the
provisions of Regn. I. of 1805.
apply to Canara & Malabar.

Thus everywhere save in
Malabar & Canara, land
holders & others could only
manufacture salt with the
permission & on behalf of
Govt. & if they declined to
manufacture as usual
the Govt. officers could employ
others to manufacture salt
in the salt pans formerly
occupied by the recusants.

While in Canara & Malabar
any one was at liberty to
carry on the manufacture
as heretofore & only sale
to others than Govt. was
made penal.

The question of the establt.
of a monopoly of salt manu-
facture & sale was subd.
to Govt. in the Rev. Bd. Pro:
of 28 June 1804.

The majority of the Bd.
were opposed to a monopoly

Mr. Falconar who was alone
in his opinion advocated it in
a minute, the enclosure to
which contains all that related
to the discussion of the improvement
of the Salt revenue.

At para 17. of his minute he
describes the "Mirasi manufacturers"
as "the native hereditary manufacturers "
of Salt - or inhabitants with the "
traditional occupancy and "
usufructuary privilege of lands "
in which Salt is manufactured "
by laborers hired for the purpose - "

At para 47. he says

"Both in Canara & in Malabar
landed property is on a different
footing to what it has been considered
to be in the other territories subject to
the Presidency. There the greater part
of the Salt pans is & from a long series
of time has been deemed to be - the
hereditary property of the Jenmkars
or Native Landholders. & it may
be expedient for the present to leave
things there as heretofore - until
matured arrangements for the
landed property - the Salt - & Customs

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revenue shall have
been determined upon -
unless the Jenmkars
shd. be disposed to acquiesce
in the general arrangts.
respecting Salt.
Meantime the Collrs.
under the control of the
Bd. of Rev. can take such
measures with the regard to
the salt as may be proper
& best likely to conform
with the general arrangt.

48. By restraining strictly
the foreign import & export
by sea & land - except on
account or by authority of
the Govt. - levying a duty - &
procuring a remission of
Sayer on Salt passing
thro' the Mysore territories
the revenue from this
article is capable of
much improvement in
Canara & Malabar."

The question of the
Extension of the Monopoly
to Malabar & Canara

was brought forward by the
Bd. in letter of 30 Decr. 1806.
and they submitted with it the
correspondence they have held
with the W. Collector & the Salt
Agent for the whole Presidency
on the subject.

From this & the other papers
on the Bd.'s records wh. I have been
perused. it appears true
that while both the Collrs. of Malabar
& Canara approved the assumption
by the Govt. of a monopoly of the
trade in Salt. they did not at
all contemplate as involved in
the measure - any infringement
with the rights of the proprietors
of the salt pans to make use
of the salt they might require
for domestic consumption

They both lay much stress
on the primary importance of non-
interference with the exercise
of any proprietary rights of
the people. & on the fact that
the proposed measure of buying

on behalf of Govt. all the
salt of the manufacturing
and districts & seek a
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the disadvantage to the
gain by securing
a constant market.

Mr. Warden (Colr. of Malabar) says at para 8 of his letter of 20 Augst. 1805. "Every particle of the produce of the pans must necessarily be exclusively sold to the Company" but at para 16 he mentions among the necessary preliminaries to the introduction of the monopoly "that the Govt. shd. purchase up all the salt in the possession of private individuals intended for sale". and next "that all persons having more than a specific quantity of salt for home consumption in their possession" shd. be invited to sell the same to Govt. - It is evident from many parts of his letter that the people in Malabar holding stocks of salt for

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sale. were the manufacturers themselves. & the measures taken at the time included the purchase of their warehouses.

Mr. A. Read (Colr. of Canara in his letter of 30 Augst./1805 notes the necessity for regulations for the prohibition of clandestine sale or exportation - but he equally insists on the necessity of satisfying the landowners in the details of the measure & making them "contented & convinced of our being sensible of their just rights to their landed property & produce". - He wd. scarcely I think with these views have considered the introduction of the monopoly unobjectionable & advantageous in all respects to the

proprietors of the Saltpans.
And be understood that it involved depriving those proprietors of the right of using such salt as they might require for their own domestic purposes wh. they had hitherto enjoyed from time immemorial.

In fine, I find nothing in the papers to indicate that it was ever contemplated to debar salt manufacturers in Malabar & Canara from using such salt as they required for their own purposes. but rather that it was distinctly contemplated to withdraw only their privilege of Sale to others than the Govt. –

Mr. Ballard shows that there have been contradictory rulings of the High Ct. as to the freedom of manufacture of salt in these provinces (as opposed to Sale) but that the latest ruling upholds the privilege – in conformity ~~as I think~~ with the policy the Law. & with the theory of land.

tenures on the Western coast.

The remedy that he proposes for guarding agst. the possible risk to the revenue from surreptitious sales – is to repeal the Special Law. & that section of the General Law wh. declares its non-applicability to Malabar & Canara.

The effect wd. be to debar the owners of land in these provinces – whose absolute right over their property I have never yet been questioned – from using their land as they think best.
& I confess that I shd. greatly regret to seeing such an infringement carried out as it wd. probably shake confidence in the stability of rights

the Govt.

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arrange

them to a very injurious extent.

The proper remedy is I think undoubtedly the enactment of the proposed Excise law. It will tax all the produce - & as the setting in of the Monsoon will have effectually put a stop to the manufacture - the short delay that is likely to intervene before that law is enacted - ~~will~~ can have no ill effects on the revenue.

If the Govt. concur in this view. I will draft orders accordingly - & refer the papers to the Legisve. Dept. as affording additional reasons for the Excise measure.

The difficulty of tracing some of the early correspce. in the Bd. records - has delayed the completion of this memo.

1. June 68.

The Rev Secy should I consider be amended to draft - according to the views recorded in this memo - It will rest with Mr. Ballard, by such new preventive arrangements as he may deem necessary, to see that such salt - as may be manufactured, shall not be sold to any one but the officers of Govt. If he can prove that sales in contravention of the required engagement take place, he may proceed against the guilty parties

WDH

21 June 68.

Yes N

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Revenue Departt.

W. 1843 -

Proceedings of the Madras Govt. under date the 2d ~~June~~ July 1868 -

Read the following Pro: of the Bd. of Revue.

Submitting for information letter from Collector of Malabar requesting that manufacture of salt without permission of Govt. be made illegal in Malabar as elsewhere -

(Here enter 20th March 1868, No. 1990) -

Submitting letter from Collr. of Malabar reporting the rapid increase of petty salt manufacture, with the Bd's. opinion as to the desirability of a Bill being brought before the Legislature repealing Regulation 2 of 1807 & Section 23 of 1 of 1805 -

(Here enter 31st do. do., No. 2351) -

WDH

N

These papers raise a question of

some delicacy and the repeal of what the Collector terms "these bits of legislation" appears to Government to need careful consideration.

Sections VI & VIII

Regulation I of 1805 provide that, if Mirasi manufacturers of salt decline to carry on the manufacture as usual on the lands they occupy, when required by the officers of Government they shall forfeit the benefits derivable from the manufacture (i.e. receiving from Government a fixed payment for the salt as representing the value of their interest in it) and the Government shall be at liberty to employ others to make salt on those lands — and that it shall

Section VI.

shall be unlawful for any proprietor or holder of land to establish any manufacture of salt except on account or with the permission of Government:- Section VIII

Section XXIII of the Regulation declares that its provisions shall not for the present operate in Canara or Malabar:-

Regulation II of 1807 for the Extension of the salt monopoly to Malabar and Canara provides Section II Clause I that the landholders proprietors and inhabitants of Canara & Malabar shall be at liberty to carry on the manufacture of salt as heretofore:-

Clause II of the Section provides for the exclusive sale of the produce to Govt.:-

Section III provides a penalty for sale to any person other than the officers of Govt.:-

Section IV declares that the provisions of Section II Clause I supersede superseded those of Sec=tions VI & VIII Regula=tion 1 of 1805 (above quoted) which are con=sidered to be inapplica=ble to Canara & Mala=bar — but that in all other respects the provi=sions of Regulation 1 of 1805 apply to Canara & Malabar.—

Thus everywhere save in Malabar and Canara, land holders & others could only manu=facture salt with the permission & on behalf of Govt and if they de=clined to manufacture as usual the Govt officers could employ others to manufacture salt in the salt pans formerly occupied by the recusants.—

While in Canara and Malabar any one was

was at liberty to carry on the manufacture as heretofore — and only sale to others than Govt was made penal —

The question of the establishment of a mono=poly of salt manufac=ture and sale was sub=mitted to Govt in the Revenue Board's Pro: dated 28th June 1804 —

The majority of the Board were opposed to a monopoly. Mr Falconar who was alone in his opinion advocated it in a minute, the enclosures to which contain all that had led to the discussion of the improvement of the salt revenue.—

At para 17 of his minute he describes the "Mirasi manufacturers" as "the native hereditary manufacturers of salt — or inhabitants with the" conditional occupancy" and usufructuary privilege" of lands in which" salt is manufactured" by laborers hired for" the purpose"-

At para 47 he says "Both in Canara & in Malabar landed property is on a different footing to what it has been considered to be in the other territories subject to the Presidency-"

" There the greater part of the salt pans is & for a long series of time has been deemed to be - the hereditary property of the Jenomkars or Native Landholders - and it may be expedient for the present to leave things there as heretofore - until matured arrangements for the

landed

landed property - the Salt - & Customs Revenue shall have been determined upon - unless the Janamkars should be disposed to acquiesce in the general arrangements respecting Salt"-

Meantime the Collectors under the control of the Board of Revenue can take such measures with regard to this salt as may be proper and least likely to interfere with the general arrangement-"

" 48. By restraining strictly the foreign imports & exports by sea & land except on account or by the authority of the Govt - levying a duty - and procuring a remission of Sayer on salt passing through the Mysore territories the revenue from this article is capable of much improvement in Canara, and Malabar".

The question of the extension of the Monopoly to Malabar & Canara was brought forward by the Board in letter dated 30th January 1806 and they submitted with it the correspondence they had held with Mr Fullarton the Salt Agent for the whole Presidency on the subject.

From this and the other papers on the Board's records which have been referred to, it appears to Govt that while both the Collectors of Malabar and Canara approved the assumption by the Govt of a monopoly of the trade in Salt - they did not at all contemplate as involved in the measure - any interference with the right of

of the proprietors of th Salt pans to make an use all the salt they might require for domestic consumption.

They both lay much stress, on the primary importance of non-interference with the exercise of any proprietary rights of the people - and on the fact that the proposed measure of buying on behal of Govt all the salt for which the manufacturers had hitherto to seek a market was an unquestionable advantage to them; but had they conceived that the manufacturers were to lose the privilege they had previously enjoyed of using the salt manufactured on their lands for their own consumption

as freely as any other description of produce they would certainly have adverted to the effect of this part of the measure as being if not open to objection — still in some measure a counterbalancing disadvantage to the gain by securing a constant market. — Mr Warden (Collector of Malabar) says at para 8 of his letter of 20th Augt 1805 — "Every particle of the produce of the pans must necessarily be exclusively sold to the Company" but at para 16 he mentions among the necessary preliminaries to the introduction of the monopoly "that the Govt should purchase up all the salt in the possession of private individuals intended for sale" — and
next

Para

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Mr A. Read (Collr of Canara) in his letter of 30th August 1805 notes the necessity for Regulations for the prohibition of clandestine sale or exportation — but he equally insists on the necessity of satisfying the landowners in the details of the measure
and

and making them as "contented" and "convinced of our being sensible of their just rights to their landed property & produce" - He would scarcely with these views have considered the introduction of the monopoly unobjectionable & advantageous in all respects to the proprietors of the salt pans - had he understood that it involved depriving those proprietors of the right of using such salt as they might require for their own domestic purposes, which they had hitherto enjoyed from time immemorial -

In fine the Govt. find nothing in the papers to indicate that it was ever contemplated to debar salt manufacturers in Malabar & Canara from using such salt as they
required

It is so no doubt, but the High Court in their ruling do not advance this⊕ as a reason - We might say above 'it'? "we seem to be"?
W.D.

N.

required for their ow
purposes - but rathe
that it was distinctl
contemplated to withdr
only their privilege of
sale to others than the
Govt. -

Mr. Ballard shou
that there have been con-
tradictory rulings of th
High Court as to the
freedom of manufac-
ture of salt in these
provinces (as opposed to
Sale) but that the later
ruling upholds the pri-
vilege, it seems to be in conformity
with the letter of the Law
and with the theory⊕ of
land tenure on the West-
ern coast -

The remedy that
he proposes for guard-
ing against the possi-
ble risk to the revenue
from surreptitious sales
is to repeal the Special
Law

Law and that section of the General Law which declares its non-applicability to Malabar & Canara.

The effect would be to debar the owners of land in these provinces — whose absolute rights over their property, — have never yet been questioned — from using their lands as they think best — and the Govt would much regret to see such an arrangement carried out as it would probably shake confidence in the stability of rights there, to a very injurious extent.

The proper remedy, is undoubtedly the enactment of the proposed Excise law, which will tax all the salt produced and as the setting in of the Monsoon will have effectually

effectually put a stop to all manufacture — the short delay that is likely to intervene before that law is enacted can have no ill effects on the revenue.

The papers will accordingly be referred to the Legislative Deptt as affording additional reasons for the Excise measure. It will rest with Mr Ballard, by — such new preventive arrangements as he may deem necessary, to see that such salt as may be manufactured, shall not be sold to anyone but the officers of Govt. If he can prove that sales in contravention of the required engagement take place, — he may proceed against the guilty &c

parties— L.A.

4/9/97 Rev. Dept 3d

5 Legis.ve Dept.

Ed J.H.

Go

Revenue 1868 Despt.
Pro of Govt. for July

No. 1843.

Pro of the Madras Govt.
d/ 12 July 1868 –

from Bd of [illegible]
C No. 2316 –

Despatch

No. 25 @ 27