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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue

DEPARTMENT

G.O. No.	Press.
B.P. No. <u>2633</u>	Mis.
Dated <u>3. 9. 1877</u>	197 .

Not to be folded or roughly handled

2633

GOVERNMENT OF MADRAS.
REVENUE DEPARTMENT.

3rd September 1877. No. 2,633.

Read the following paper :—

No. 28. Proceedings of the Board of Revenue, dated 23rd June 1877, No. 2,980.

THE Government having directed* the introduction of the Salt Excise Act into the districts of South Canara and Malabar from 1st July, the Board have drawn up the accompanying rules for the guidance of officers in administering the Act, and resolve, before submitting them for the confirmation of Government, to forward them to the Collectors of those districts for any remarks and suggestions they may have to offer. They will consider, in consultation with their Salt Deputies, whether any modification of the forms or procedure prescribed is required to prevent fraud, and will state any difficulties not provided for in the rules which occur to them.

2. The only other points upon which report seems called for is as to establishments and the charge to be made for Government buildings and land utilised by manufacturers. The requirements of the several ports will be separately dealt with on receipt of the reports called for in G.O., dated 9th May 1877, No. 1,677, and as regards establishments required in connection with manufacture, it will probably not be possible to furnish definite information at present; the staff hitherto maintained at the Kundapur works must be retained until some experience of the effect of the change of system has been gained. The Government of India having ruled that "for all ordinary expenditure incurred in collecting and protecting the salt excise revenue, the Government should recoup itself, not from any cess levied in addition to such revenue, but from that revenue alone" the establishments required for the purposes of storage and sale as well as the Police guards must be paid by Government.

3. As regards Government buildings and lands it has been decided that the manufacturers are to pay for such as they may occupy for the purposes of manufacture. There being no licit manufacture in Malabar the question does not concern that district at present. In South Canara the area of the Kundapur works is given by the Salt Commission as 777 acres, assessed at Rupees 1,554, the assessment being remitted under land-revenue each year. It must in future be charged both in the case of existing salt works and any which may be newly established. Works fall under three classes: (1) those connected with manufacture, (2) works for storage and revenue purposes, (3) sundry works for public convenience. No outlay on works of the first class had been incurred up to the date of the Commissioners' inquiries; in future all such works must of course be carried out by the manufacturers themselves; the outlay on works of the third class was trifling, and no charge need be made on their account.

Paragraph 394 of the Salt Commission Report.

Expended on permanent works ...	Rs. 6,936
Do. do. repairs ...	953

4. The capital cost of permanent works for storage and revenue purposes in South Canara was ascertained to be Rupees 68,003, and the repairs had aggregated Rupees 25,469, giving an average of about Rupees 2,500 per annum. The conclusion arrived at from a consideration of the ascertained expenditure throughout the Presidency was that the average charge for interest and repairs comes to about 10 per cent. on the capital value, paragraph 400. The expenditure for the district includes outlay on Catcheries and Police huts, in respect of which the Board do not think interest should be charged as they are clearly required for the collection and protection of revenue, and their provision should be a charge against the revenue; it is not

Enclosure No. 5.

FORM D.

(Form of Application.)

To the Officer appointed to collect the salt duty at

Application is hereby made by the undersigned for a Permit for the removal of Indian mounds of Salt, and Duty to the amount of Rupees is tendered herewith. Details relating to the proposed removal are correctly stated in the form below:—

Name of Applicant.	Residence of Applicant.	Quantity of Salt intended to be removed.	Name of the Salt Work from which Salt is to be removed.	Name of the Licensee of the Salt Work from which Salt is to be removed and cost-price of the Salt.	Place to which the Salt is to be transported.	Whether the Salt is required for local consumption, or for subsequent transport elsewhere; if for the latter, the place or district for the consumption of which it is destined.	Whether the removal is on Applicant's own account or for another; if for another person, his name and residence.
1	2	3	4	5	6	7	8
		MDS.					

Date of Receipt.

Amount of duty paid or for which credit has been granted.

No. of order granted.

Date of order and time when granted.

(Signature)

Superintendent.

(Signature of Applicant)

I certify the correctness of entries in columns 3, 4, and 5.

(Signature of the Licensee of the Salt Work.)

Signed in my presence.

(Signature)

Superintendent.

Enclosure No. 5.

FORM E.

Order issued by the Superintendent to the Officer appointed to superintend the weighment.

Number of the Order

Date of the Order

Name of the Purchaser

Place of his residence

Name of the Licensee

Place of his residence

Number and name of the salt work

Quantity of salt permitted to be removed

Amount of duty paid or for which credit has been

granted

No.

To (Enter the name of the Officer in charge of salt.)

Date

A.B., purchaser, resident of _____ and C.D., Licensee of _____ Division are hereby permitted to remove from the said salt work _____ mounds of salt for which duty to the amount of Rs. _____ has been paid (if credit has been granted substitute for the duty on which amounting to Rs. _____ credit has been given); you are hereby directed to allow the aforesaid quantity of salt to be taken from the said work by the said A.B. and C.D. before sunset of _____

(Signature)

Superintendent.

Removed and received by the said A.B. and C.D. _____ mounds of salt from _____ salt work this day of _____ M.

(Signature)

Licensee

Officer in charge of salt.

Purchaser.

210/37

for their information and guidance. Whenever the Collector may deem it necessary to cancel a license, the Board's orders must be obtained.

3. All salt brought into store shall be weighed, an account of the same in Form C being prepared by the officer under whose supervision the weighing is conducted and forwarded to the Superintendent on the evening of the same day.

4. Manufacturers may, at their option, store their salt jointly, and in cases where the quantity manufactured by any licensee does not exceed 10 garce and the space available does not suffice for separate storage, the officer in charge of the station may direct that salt manufactured by two or more licensees shall be stored jointly, the quantity belonging to each being separately shown in the stock account.

5. No salt shall be removed from any salt work without a permit. Permits for the removal of salt shall not be granted except on written application in the Form D annexed, which shall be signed and presented to the Superintendent or other officer in charge of the station by the person desirous of removing salt and by the licensee or his duly authorised agent. On receipt of such application the officer as aforesaid shall collect the excise duty leviable on the quantity of salt intended to be removed, or if credit has been granted as hereinafter provided, shall enter the amount in the application and deliver an order in Form E which shall be sufficient authority for the officer appointed for the purpose to weigh and deliver the salt. No machines except such as have been supplied by Government will on any account be permitted to be used.

6. All orders shall be numbered consecutively; they will be kept bound in book form with counterfoil attached; on the issue of an order the Superintendent will fill up and retain the counterfoil, handing the order to the purchaser by whom it will be taken to the officer entrusted with the weighing of the salt. All such orders must be endorsed by the said officer with a certificate to the effect that the quantity specified therein has been delivered on that date and forwarded the same evening to the Superintendent of the station as a voucher with his account of sales in Form F. Upon completion of weighing a permit in Form G will be granted to the purchaser; it will be in duplicate, and will be delivered to the officer in charge of the Police guard at the gate who may detain and cause the salt to be reweighed should any reasonable suspicion of fraud necessitate such interference. The examination and reweighing must be conducted in the presence of the officer in charge of the station by some officer other than the person by whom the first weighing was made. Permits will remain in force for such period as may be stated therein, after which it will be necessary to obtain a fresh pass should the salt not have been removed. All salt covered by a single permit must be removed at one time and not by instalments. The officer in charge of the guard will, at the close of the day, forward one copy of all permits delivered up at the gate to the Salt Superintendent and the other to the Salt Deputy Collector through the Superintendent of Police.

7. The Superintendent or officer in charge of the station shall keep an account in Form H of the storage and salt of each heap, and shall furnish the Collector or Deputy Collector with monthly accounts of salt stored and sold in Form I.

8. The Collector will forward to the Board his monthly accounts in Form J.

9. It shall be competent to the Collector or other officer authorised by him to order the delivery of salt to purchasers on credit on the deposit of Government Securities under Rule B annexed to S.O. No. 210, Clauses 1 to 12 inclusive. Time for the payment of duty may also be granted subject to such conditions as the Collector may see fit to impose on the execution of a bond in the form given in Schedule B of the Salt Excise Act.

10. No restriction will be placed on the importation by any land route of duty-paid salt into the districts to which these rules apply, and all existing ports now open for other goods will be open for salt on payment of the duty prescribed by law unless covered by a certificate that duty has already been paid in respect of such salt. Bonded warehouses for the custody of salt until duty is paid will be maintained only at such ports as may be fixed from time to time, and will be available for importers on payment of rent at rates approved by the Board. When imported salt is stored in a Government Warehouse under the exclusive control of a Government

Section 95, Act VI of 1853.

Officer duty will be chargeable only on the amount actually cleared. In the case of such salt stored in a licensed private warehouse the rate of wastage shall not ordinarily exceed 2½ per cent. on the quantity weighed over the ship's side.

(Signed) C. A. GALTON,
Sub-Secretary.

No. 28-A. Proceedings of the Board of Revenue, dated 23rd August 1877, No. 3,928.

Read the following letters:—

From W. H. COMYN, Esq., Acting Collector of South Canara, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Mangalore, 18th July 1877, No. 1,234:—

WITH reference to the Proceedings of the Board of Revenue, No. 2,980, dated 23rd June 1877, I have the honor to submit my remarks on the rules proposed by the Board (for the guidance of officers issued under Section 44 of the Madras Salt Excise Act of 1871) together with a copy of a letter on the subject received from the Salt Deputy Collector.

2. The forms referred to in the rules and Proceedings above quoted have not as yet been received.

3. The draft rules seem to me to be sufficiently comprehensive and generally to meet all requirements, but I will make such remarks on them as occur to me.

4. RULE I (CLAUSE 5), V, and VI.—With regard to Mr. Ball's remark (a), I presume that the necessary permits will be granted by the Superintendent or other officer in charge of the station.

5. RULE I, CLAUSE 6.—I presume that this rule is framed with reference to Section 10 of the Act and is intended to apply primarily to officers of Government appointed under that Section, but "all officers of Government" is a wide term. I would beg to suggest an alteration and make the rule run "all officers of Government appointed under Section 10 of the Excise Act and all Revenue officers not below the grade of Deputy Tahsildar."

6. RULE I (CLAUSE 8).—I agree with Mr. Ball in thinking that the Collector should be empowered to grant remissions in exceptional cases. Perhaps this is what the Board intend, for the clause runs "the licensee shall engage to pay such rent as may be demanded by the Collector."

7. RULE II.—Mr. Ball appears to have misunderstood the meaning of this rule so far as it relates to licenses for existing salt works.

The rule is based on Sections 6 and 7 of the Act, and it is optional with the Collector to withdraw or withhold a license under certain conditions.

8. RULE III.—I think, with reference to Mr. Ball's remark (d), that it may be left to the Collector to decide by what officer the account of weighing in Form C is to be prepared. I do not therefore see that this rule requires any amendment.

The same remark applies to Rules V and VI. The other rules do not seem to call for any remarks.

9. I propose to address the Board separately on the points noted in paragraphs 2 et seq. of their Proceedings under reply.

ENCLOSURE No. 1.

From J. BALL, Esq., Deputy Collector, to W. H. COMYN, Esq., Acting Collector of South Canara, dated Mangalore, 13th July 1877, No. 115.

I HAVE the honor to submit the following remarks on the Draft Rules forming enclosure to the Proceedings of the Board of Revenue of the 23rd ultimo, No. 2,980.

(a.) In Clause 5, Rule I, and in Rules V and VI, permits (G) authorizing the removal of salt are mentioned, but it is not stated by whom these permits are to be granted. This, I think, should be distinctly laid down.

(b.) Clause 8, Rule I. All our existing salt pans are private property. The assessment on them is now under remission, but should it be in future charged, as now contemplated (paragraph 3, Board's Proceedings), I think that a number of pans will be given up by the holders, as in an adverse season they barely recover their outlay on the pans. This has often happened, and the collection of the assessment

from them during such seasons will be considered a hardship. I think, therefore, that the Collector should be empowered to make remissions under such exceptional circumstances.

If any Government land be taken up for salt culture an acreage may be charged in the same manner as that charged for lands taken up for other cultivation.

(c.) Rule II. According to this rule no license can be granted unless on an average of the past three years 5,000 Indian maunds of salt shall have been produced and yearly sold at a private salt work. As the greater number of our pans are small only a very few, not more than two or three at each depôt, will be found to come under these conditions. I would therefore beg to inquire whether the panholders whose pans may be contiguous to each other may be allowed to club together and take out a license in the name of one of their number under this rule. If so this should be distinctly stated.

(d.) Rule III. The "Officer" who is to supervise the weighing of the salt is not distinctly defined in this rule. He is clearly not the Superintendent or head of the depôt, for he is (according to this rule) to send his account of salt brought into store to the Superintendent. It would not be advisable to entrust this duty to an underpaid subordinate. If the Assistant Superintendent of the depôt is the "Officer" meant this should be distinctly stated. At present the Superintendent of a depôt generally supervises the storage and sale of salt.

(e.) In Rules V and VI also an "Officer" other than the Superintendent is to weigh and deliver salt, and endorse all orders with a certificate to the effect that the quantity has been duly delivered, forwarding them with his account to the Superintendent. The above remarks apply here also.

(f.) Rule X. The rent of bonded warehouses. I am of opinion that a rent calculated at the rate of not less than 6 per cent. on the original outlay of the building should be charged. Our present charges for the annual monsoon repairs ranges between 2½ and 5 per cent. on the original outlay, but some allowance must be made for deterioration of the buildings. A rent at 6 per cent. will not be burdensome to the merchants, as our warehouses will all have to be divided into three or four compartments, and the rent will in consequence be also divided amongst the holders of these compartments. Taking for instance one of our large kotars at Mangalore, capable of holding 24,000 Indian maunds of salt and which originally cost Rupees 2,750, six per cent. on the original outlay amounts to Rupees 165, which gives but Rupees 13-12-0 per mensem, and this amount will probably be paid by two or more individuals according to the number of compartments the building may be divided into; our kotars at Mabukul, Mulki, and Kasargod, where bonded warehouses are to be established, have originally cost less than one-half of the above amount, and consequently the rent to be demanded for each of them will not exceed Rupees 8-14-0 per mensem or one-half of Rupees 13-12-0. When considering the rents that now prevail in the town for warehouses and shops I am rather inclined to think that we should charge rent at the rate of not less than 8 per cent. on the original outlay.

(g.) As regards private bonded warehouses mentioned in this Rule (10) I think that it should be laid down that no such warehouse should be licensed unless approved of by the Collector after personal inspection.

2. I beg to add that the forms mentioned in the Draft Rules and Board's Proceedings have not as yet been received.

(True Copy.)

(Signed) W. H. COMYN,
Acting Collector.

From W. LOGAN, Esq., Collector of Malabar, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Calicut, 4th August 1877, No. 185.

REPLYING to Board's Proceedings, No. 2,980, dated 23rd June 1877, I have the honor to observe that as in this district we have had no experience of salt manufacture I am unable to offer any suggestions as regards the rules which the Board have drafted. They seem to the Deputy Collector and to myself to provide for all that is necessary.

2. The kind of smuggling which is most likely to occur is that of foreign salt landed at out-of-the-way places on the coast. As salt in transit from salt works or

from bonded or private warehouses is apparently not to be covered by a permit it will, I fancy, be found difficult to convict persons who may smuggle in foreign salt and then pass it off as having been legally imported or manufactured.

THE Collector of South Canara has doubtless received the draft forms by this time and will have gathered from Forms E, F, and G that the permit referred to in paragraph 4 of his letter is to be signed by the officer who superintends the weighing and delivery of the salt.

2. The question of the necessity of empowering the Collector to grant remissions of salt assessment is one which the Board are not in a position to decide without further information. The rate of assessment seems to be on an average Rupees 2 per acre, and it is impossible, without some experience of the working of the excise system, to come to the conclusion that this rate is not sufficiently light to justify the application of the rule generally in force as regards assessment on other lands in Canara, viz., that the profits of favorable years must be taken as a set off against the losses in adverse seasons.

3. The interpretation of Rule 2 given in paragraph 7 of Mr. Comyn's letter is correct, and as presumed by him it was the intention of the Board that it should be left to the Collector to decide by what officer the weighing and delivery of salt should be supervised. The Board agree with Mr. Comyn in thinking that the words "all officers of Government" in Rule I Clause 6 are indefinite and are prepared to adopt the amendment suggested by him, viz., "Officers of Government appointed under Section 10 of the Excise Act and all Revenue Deputy Tahsildar."

4. With the above remarks the rules and proceedings, dated 23rd June 1877, No. 2,980, with the amendment suggested, are submitted for the approval of Government. Their careful watching and modifications introduced when necessary.

(True Copies and

red) J. STURROCK,
Acting Sub-Secretary.

No. 29.

ORDER THEREON, 3rd Sep

1877, No. 2,633.

Separate Revenue, No. 3.

Salt.

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watche.

GRACE the Governor in Council the Rules proposed, subject to amendment suggested. Their working should be carefully

(True Extract.)

(S)

1) C. G. MASTER,
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 23rd June 1877.

The Government having directed* the introduction of the Salt Excise Act into the districts of South Canara and Malabar from 1st July, the Board have drawn up the accompanying rules for the guidance of officers in administering the Act, and resolve, before submitting them for the confirmation of Government, to forward them to the Collectors of those districts for any remarks and suggestions they may have to offer. They will consider, in consultation with their Salt Deputies, whether any modification of the forms or procedure prescribed is required to prevent fraud and will state any difficulties not provided for in the rules which occur to them.

2. The only other points upon which report seems called for is as to establishments and the charge to be made for Government buildings and land utilized by manufacturers. The requirements of the several ports will be separately dealt with on receipt of the reports called for in G.O., dated 9th May 1877, No. 1,677, and as regards establishments required in connection with manufacture, it will probably not be possible to furnish definite information at present; the staff hitherto maintained at the Kundapur works must be retained until some experience of the effect of the change of system has been gained. The Government of India having ruled that "for all ordinary expenditure incurred in collecting and protecting the salt excise revenue, the Government should recoup itself, not from any cess levied in addition to such revenue, but from that revenue alone" the establishments required for the purposes of storage and sale as well as the Police guards must be paid by Government.

3. As regards Government buildings and lands it has been decided that the manufacturers are to pay for such as they may occupy for the purposes of manufacture. There being no licit manufacture in Malabar the question does not concern that district at present. In South Canara the area of the Kundapur works is given by the Salt Commission as 777 acres, assessed at Rupees 1,554, the assessment being remitted under land revenue each year. It must in future be charged both in the case of existing salt works and any which may be newly established. Works fall under three classes: (1) those connected with manufacture, (2) works for storage and revenue purposes, (3) sundry works for public convenience. No outlay on works of the first class had been incurred up to the date of the Commissioners' inquiries; in future all such works must of course be carried out by the manufacturers themselves; the outlay on works of the third class was trifling, and no charge need be made on their account.

Paragraph 394 of the salt Commission Report.

Expended on permanent works ...	Rs. 6,930
Do. do. repairs ...	953

4. The capital cost of permanent works for storage and revenue purposes in South Canara was ascertained to be Rupees 68,003, and the repairs had aggregated Rupees 25,469, giving an average of about Rupees 2,500 per annum. The conclusion arrived at from a consideration of the ascertained expenditure throughout the Presidency was that the average charge for interest and repairs comes to about 10 per cent. on the capital value, paragraph 400. The expenditure for the district includes outlay on Catcherries and Police huts, in respect of which the Board do not think interest should be charged as they are clearly required for the collection and protection of revenue, and their provision should be a charge against the revenue; it is not desirable that the manufacturers should be burdened with charges at the outset, and it will suffice if rent is levied on works used for purposes of storage, and the Collector will report what percentage on the capital value thereof should be fixed and how the charge should be distributed amongst those concerned and levied. At the existing works the manufacturers must be required to use the Government buildings; at all newly established works, they will of course provide them themselves.

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5. As regards the rent to be charged for Government buildings used as bonded warehouses at the ports, the Government of India considered that a rent sufficient to cover the repairs of the buildings should be charged, and the Collectors will accordingly fix the rates on this principle and report the same for confirmation.

6. It is requested that the remarks on the draft rules may be submitted with the least possible delay.

(A true Extract.)

(Signed) C. A. GALTON,
Sub-Secretary.

To the Collector of South Canara, with Rules and ten forms,
" Collector of Malabar, with do.

Exd. A. Grubert.

Rev 3812/55

BOARD OF REVENUE,
MADRAS.

1877.

PROCEEDINGS, 23RD JUNE 1877, No. 2,980.

Received

JUNE
No. 2,980.

Madras Salt Excise Act of 1871.—Forwarding to Collectors of South Canara and Malabar, for any remarks and suggestions they may have to offer, draft rules drawn up by Board for guidance of officers in administering the —

End.

FORM A.

Form of License.

I (A.B.) Collector of the District of ——— being duly authorized by the Board of Revenue under Section 3 of the Madras Salt Excise Act of 1871, do hereby grant to you (C.D.) license to manufacture and store salt at the localities specified in the annexed schedule on the following conditions:—

- I.—You shall engage a contractor and close manufacture within such dates as shall be fixed by the Collector, Deputy Collector, Superintendent, or other Officer duly authorized by the Collector or Deputy Collector, and notified in the District Gazette.
- II.—You shall at the commencement of each manufacturing season intimate to the Superintendent the locality, number and extent of the pans you intend to work in time to admit of arrangements for guarding them being made.
- III.—You shall remove the salt to the place of storage within the time fixed by the Collector, Deputy Collector, or other Officer duly authorized in that behalf.
- IV.—You shall store the salt in such manner and at such places as may be directed by the Collector, Deputy Collector, or other Officer duly authorized.
- V.—You shall have the salt weighed by Officers of Government when stored and when sold.
- VI.—You shall not remove the salt stored or cause or allow it to be removed without a permit authorizing its removal.
- VII.—You shall allow all Officers of Government free passage over the works and allow them to weigh and examine the salt in store at any time.
- VIII.—You and your servants shall not have access to the places where salt is manufactured or stored except during the hours fixed by the Collector, Deputy Collector, or other duly authorized Officer.
- IX.—You shall pay such rent as may be demanded by the Collector, Deputy Collector, or other Officer duly authorized, for the use of Government works or buildings and lands occupied by you for the purpose of the manufacture or storage of salt.
- X.—You shall also pay such extraordinary expenditure beyond the cost of collecting and protecting the salt excise revenue, as may be incurred by Government in consequence of your manufacture.
- XI.—You shall conform to such other rules as may be issued from time to time under the authority of the Board of Revenue for the regulation of the manufacture and storage of salt, and shall deliver up your license when called upon to do so for amendment in accordance with any conditions which may be prescribed by the Board of Revenue.

2. Any wilful or negligent breach of the above conditions by you or by your servants with your connivance and privity shall entail forfeiture of the license in addition to any penalty imposed by law for such breach.

3. This license is liable to be withdrawn if on an average of the three preceding years 5,000 Indian maunds shall not have been produced and yearly sold.

Account of Salt received into Store.

FORM C.

FORM D.

(Form of Application).

Dated at

To the Officer appointed to collect the salt duty at

Application is hereby made by the undersigned for a permit for the removal of

Indian Maunds of Salt, and Duty to the amount of Rupees

is tendered herewith. Details relating to the proposed removal are correctly stated in the form below :—

Name of Applicant.	Residence of Applicant.	Quantity of Salt intended to be removed.	Name of the Salt Work from which Salt is to be removed.	Name of the Licensee of the Salt Work from which Salt is to be removed and cost price of the Salt.	Place to which the Salt is to be transported.	Whether the Salt is required for local consumption, or for subsequent transport elsewhere; if for the latter, the place or district for the consumption of which it is destined.	Whether the removal is on Applicant's own account or for another; if for another person, his name and residence.
1	2	3	4	5	6	7	8
		MDS. SRS.					

Date of Receipt.

Amount of duty paid or for which credit has been granted.

No. of order granted.

Date of order and time when granted.

(Signature)

Superintendent.

(Signature of Applicant.)

I certify the correctness of entries in Columns 3, 4 and 5.

(Signature of the Licensee of the Salt Work.)

Signed in my presence.

(Signature)

Superintendent.

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Form of Application

FORM D.

FORM E.

Order issued by the Superintendent to the Officer appointed to superintend the weighing.

Number of the Order _____
Date of the Order _____
Name of the Purchaser _____
Place of his residence _____
Name of the Licensee _____
Place of his residence _____
Number and name of the salt work _____
Quantity of salt permitted to be removed _____
Amount of duty paid or for which credit has been granted _____

Superintendent.

Date

To _____ (Enter the name of the Officer in charge of salt.)

A.B., purchaser, resident of _____ Station in _____ Division are hereby
permitted to remove from the said salt work _____ Pies _____ Maunds of salt for which
duty to the amount of Rs. _____ As _____ has been paid (If credit has been
granted substitute "for the duty on which amounting to Rs. _____ credit has
been given"): you are hereby directed to allow the aforesaid quantity of salt to be
taken from the said work by the said A.B. and C.D. before sunset of _____

(Signature)

Superintendent.

Removed and received by the said A.B. and C.D. _____ Maunds of salt
from _____ salt work this day at _____ M.
dated _____

(Signature)

Licensee

Officer in charge of salt.

Purchaser.

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FORM E

Division

187

FORM G.
Form of Permit.

FORM H.

Statement showing the Storage and Sales of each Heap.

				PLATFORM No. I.			
Licensee.	Station.	Date.	Stored or sold.	Heap No. I.	Heap No. II.	Heap No. III.	Heap No. IV.
No.	Name.		Stored...				
			Sold ...				
			Balance .				
			So on for each day.				

N.B.—A book in this form should be kept for each individual with an abstract in the form of the enclosure to this statement.

ENCLOSURE to H.

Month and Date.	Licensee.	Quantity stored.	Quantity sold.	Balance.
	A			
	B			
	C			
Total ...				

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Statement showing the storage and sales of
Salt.

FORM II.

Rev 35100

FORM I.
Monthly Account of the Receipts and Sales of Salt for
of 187

Station.	Receipts		Sales.	In the Month.		Up to the Month.	
	In the Month.	Up to the Month.		RS.	A. P.	RS.	A. P.
			Home Consumption ...	...			
			Inland do. ...	...			
			Exportation by Sea ...	...			
			Sold to French Government ...	...			
			Total ...	...			
			Wastage discovered ...	...			
			Total ...	...			
			Balance remaining ...	...			

2630
20

up to the end of 187 or Fasli 128

Particulars of Salt manufactured and sold
at each Division.

FORM J.

Rules for the guidance of Officers issued under Section 44 of the Madras Salt Excise Act of 1871.

The Collector should notify that licenses to manufacture salt in localities approved by him will be granted on the following conditions:—

- 1st.—That the licensee shall engage to commence and close the manufacture within such dates as shall be fixed by the Collector and notified in the District Gazette, and shall at the commencement of each manufacturing season intimate the number and extent of the pans he intends to work in time to admit of arrangements for guarding them being made.
- 2nd.—That the salt shall be removed from the pans to the spots selected for storage within the time fixed by the Collector or other officer duly authorized by him.
- 3rd.—That the salt manufactured shall be stored in such places and manner as the Collector or other duly authorized officer shall direct.
- 4th.—That the salt shall be weighed by the officers of Government when stored and when sold.
- 5th.—That no salt shall be removed without a permit authorizing its removal from store.
- 6th.—That all officers of Government shall have free passage over the works and be at liberty to examine the salt in store at any time.
- 7th.—That the licensee and his servants shall not have access to the places where salt is manufactured or stored except during the hours fixed by the Collector or other duly authorized officer.
- 8th.—That the licensee shall engage to pay such rent as may be demanded by the Collector for the use of Government buildings and lands occupied by him for the purpose of the manufacture and storage of his salt together with any extraordinary expenditure beyond the cost of collecting and protecting the salt excise revenue which may have to be incurred in consequence of his manufacture.
- 9th.—That the licensee shall conform to such rules as may be issued under the authority of the Board of Revenue from time to time for the regulation of the manufacture and storage of salt, and shall, when called upon, deliver up his license for amendment in accordance with any conditions which may be so prescribed.
- 10th.—That any wilful breach of the conditions of his license by the licensee or his servants with his connivance and privity shall entail forfeiture of the license in addition to any penalty which may by law be imposed for such breach.

The licenses should be in the Form A annexed, embodying the above conditions; they should be numbered consecutively as issued.

2. All applications for licenses to manufacture should specify clearly the locality and the boundaries within which it is proposed to manufacture. If the land belongs to a private proprietor and a salt work has been established thereon and has been worked at any time within five years of the introduction of the Salt Excise Act, a license cannot be refused unless on an average of the three last years 5,000 Indian Maunds of salt shall not have been produced and yearly sold. If the Collector considers it necessary to suppress any works which do not fulfil this condition, he should apply for orders stating the objections to the grant or continuance of a license. If the land is the property of Government and salt works are in existence thereon, the Collector may exercise his discretion as to the grant of a license. In dealing with applications for permission to establish new works, the Collector will bear in mind the necessity for concentration so as to reduce the risk of smuggling and cost of guarding to a minimum, and will consult the Superintendent of Police before issuing a license. It is desirable that he should personally inspect the spot: if he is unable to do so, he should depute his Deputy Collector to report on its suitability. If facilities for guarding and storage exist, the Collector should submit the application with a sketch of the site for the Board's approval; if there is any objection to the site, a license should be refused.

A register of all licenses granted must be kept in the Collector's Office—Form B—and an abstract should accompany the Jammabandi report with full information regarding the working of the system. Extracts from the Register should be sent to the Superintendents concerned for their information and guidance. Whenever the Collector may deem it necessary to cancel a license, the Board's orders must be obtained.

3. All salt brought into store shall be weighed, an account of the same in Form C being prepared by the officer under whose supervision the weighing is conducted and forwarded to the Superintendent on the evening of the same day.

2633
22

4. Manufacturers may, at their option, store their salt jointly, and in cases where the quantity manufactured by any licensee does not exceed 10 galle and the space available does not suffice for separate storage, the officer in charge of the station may direct that salt manufactured by two or more licensees shall be stored jointly, the quantity belonging to each being separately shown in the stock account.

6. No salt shall be removed from any salt work without a permit. Permits for the removal of salt shall not be granted except on written application in the Form B annexed, which shall be signed and presented to the Superintendent or other officer in charge of the station by the person desirous of removing salt and by the licensee or his duly authorized agent. On receipt of such application the officer as aforesaid shall collect the excise duty leviable on the quantity of salt intended to be removed, or if credit has been granted as hereinafter provided, shall enter the amount in the application and deliver an order in Form E which shall be sufficient authority for the officer appointed for the purpose to weigh and deliver the salt. No machines except such as have been supplied by Government will on any account be permitted to be used.

6. All orders shall be numbered consecutively; they will be kept bound in book form with counters attached, on the issue of an order the Superintendent will fill up and retain the counter, handing the order to the purchaser by whom it will be taken to the officer entrusted with the weighing of the salt. All such orders must be endorsed by the said officer with a certificate to the effect that the quantity specified therein has been delivered on that date and forwarded the same evening to the Superintendent of the station as a voucher with his account of sales in Form F. Upon completion of weighing a permit in Form G will be granted to the purchaser; it will be in duplicate, and will be delivered to the officer in charge of the Police guard at the gate who may detain and cause the salt to be re-weighed should any reasonable suspicion of fraud necessitate such interference. The examination and re-weighing must be conducted in the presence of the officer in charge of the station by some officer other than the person by whom the first weighing was made. Permits will remain in force for such period as may be stated therein; after which it will be necessary to obtain a fresh pass should the salt not have been removed. All salt covered by a single permit must be removed at one time and not by instalments. The officer in charge of the guard will at the close of the day forward one copy of all permits delivered up at the gate to the Salt Superintendent and the other to the Salt Deputy Collector through the Superintendent of Police.

7. The Superintendent or officer in charge of the station shall keep an account in Form H of the stock of salt of each heap and shall furnish the Collector or Deputy Collector with monthly returns of salt stored and sold in Form I.

8. The Collector will forward to the Board his monthly accounts in Form J.

9. It shall be competent to the Collector or other officer authorized by him to order the deposit of salt in warehouses on credit on the deposit of Government Securities under Rules B and C of the Salt Act, No. 211, Clauses 1 to 12 inclusive. Time for the payment of duty may also be granted on conditions as the Collector may see fit to impose on the execution of the provisions given in Schedule B of the Salt Excise Act.

10. No warehouse will be placed on the importation by any land route of duty-paid salt open for sale to which these rules apply, and all existing ports now open for other goods will be maintained for the payment of the duty prescribed by law unless covered by a certificate that duty has already been paid in respect of such salt. Bonded warehouses for the custody of salt until duty is paid will be maintained only at such ports as may be fixed from time to time and will be available for importation on payment of rent at rates approved by the Board. When imported salt is stored in a Government Warehouse under the exclusive control of a Government Officer duty will be chargeable only on the amount actually cleared. In the case of such salt stored in a bonded private warehouse the rate of wastage shall not ordinarily exceed 2½ per cent. on the quantity weighed over the ship's side.

Section 25, Act VI of 1883.

In a licensed private warehouse the rate of wastage shall not ordinarily exceed 2½ per cent. on the quantity weighed over the ship's side.

(Signed) C. A. GALTON,
Sub-Secretary.

803-9-77 N. 2633.

Revenue Department
No 3928.

Proceedings of the Board of Revenue
Dated 23rd August 1877.

Read the following;

No 185

From

W. Logan Esqr.
Collector of
Malabar.

To
C. A. Galton Esqr.
Secy. Secretary to the Board
of Revenue Madras.

Sir
Replying to Board's Proceedings No 2980 dated 23rd June 1877, I have the honor to observe that as in this District we have had no experience of salt manufacture, I am unable to offer any

my suggestions as regards the Rules which the Board have drafted. They seem to the Deputy Collector and to myself to provide for all that is necessary.

2. The kind of smuggling which is most likely to occur, is that of Foreign Salt landed at out of the way places on the coast. As salt in transit from salt works or from bonded or private warehouses is apparently not to be covered by a permit, it will, I fancy

be found difficult to convict persons who may smuggle in Foreign Salt and then pass it off as having been legally imported or manufactured. I have the honor to submit my remarks

it off as having been legally imported or manufactured.

Malabar
Collector's office Calicut
- cut 4 Augt 1877

I have the honor to
(Sd) W. Logan
Collector

What about
sent Calicut
2 Order

Read also the following:

No 1234

From

W. H. Lomax Esqr
M. Collector of South Canara

To C. B. Galton Esqr
M. Secretary to the Board
of Revenue Madras.

Sir With reference to the Proceedings of the Board of Revenue

No 2980 dated 23rd June 1877

I have the honor to submit my remarks

Remarks on the Rules proposed
by the Board (for the guidance
of officers issued under section
14 of the Madras Salt Ex. Act
Act of 1871) together with a copy
of a letter on the subject
received from the Salt Deputy
Collector.

2. The forms referred to in
the Rules and Proceedings above
quoted have not as yet been
received.

3. The draft rules seem
to me to be sufficiently compre-
hensive and generally to meet
all requirements, but I will
make such minor alterations
as occur to me.

With

4. Rule I clause 5. With regard
to Mr. Ball's
remark (a) I pre-
sume that the necessary permits
will be granted by the Superin-
tendent or other officer in charge
of the station.

5. Rule I cl. 6. I presume that
this rule is framed
with reference to section 10 of the
Act and is intended to apply
primarily to officers of Government
appointed under that section
but "all officers of Government"
is a wide term. I would beg
to suggest an alteration and
make the rule run "all officers
of Government appointed under

17

section

"Section 10 of the Excise Act and
all Revenue officers not below
the grade of Deputy Tahsildar."

6. Rule I cl: 8. I agree with

Mr Ball in
thinking that the collector should
be empowered to grant remissions
in exceptional cases. Perhaps
this is what the Board intends
for the clause runs "the licensee
shall engage to pay such rent
as may be demanded by the
Collector."

7. Rule II. Mr Ball appears

to have misunderstood the
meaning of this rule as far
as it relates to licenses for
existing

existing salt works.

The rule is based on sec-
tions 6 and 7 of the Act and it is
optional with the Collector
to withdraw or withhold a license
under certain conditions.

8. Rule III. I think with
reference to Mr Ball's remark
(d) that it may be left to the
Collector to decide by what
officer the account of weigh-
ment in form C is to be pre-
pared. I do not therefore see
that this rule requires any
amendment.

The same remark
applies to Rules I and II. The
other rules do not seem to call
for

for any remarks.

9. I propose to address the Board separately on the points noted in paras 2 & seq of their Proceedings under reply.

I have &c

South Canara } (Sd) W. H. Comyn
Collr's office }
Mangalore }
18 July 1877 }

Enclosure

No 115

W. H. Comyn Esqr
Ag Collector of South Canara

Sir I have the honor to submit the following remarks on the Draft Rules forming enclosure to the Proceedings of the Board of Revenue of the 23rd Vellur P.

(a) In clause 5 Rule I and in Rules I & II Permits (G) authorizing the removal of salt are mentioned but it is not stated by whom these Permits are to be granted. This I think should be distinctly laid down.

(b) Clause 8 Rule I. At our existing salt pans are private property. The assessment on them is now under re-mission but should it be in future charged as now contemplated (para 3 of Proceedings.) I think that a number of pans will be given up by the holders as in an adverse season they barely recover their outlay on the pans. This has often happened, and the

the collection of the assessment from them during such seasons will be considered a hardship. I think therefore that the collector should be empowered to make remissions under such exceptional circumstances.

If any Government land be taken up for salt culture an acreage may be charged in the same manner as that charged for lands taken up for other cultivation

(c) Rule II According to this Rule no license can be granted unless on an average of the past 3 years 5000 lbs of salt shall have been

been produced and yearly sold at a private salt work. As the greater number of our pans are small, only a very few - not more than 2 or three at each Depot will be found to come under these conditions. I would therefore beg to enquire whether the pan holders whose pans may be contiguous to each other may be allowed to club together and to take out a License in the name of one of their number under this Rule. If so this should be distinctly stated

(d) Rule III. The "Officer" who is to

to supervise the weighing
of the salt is not distinctly de-
fined in this Rule. He is
clearly not the Superintendent
or head of the Dep't for -
he is (according to this Rule)
to send his account of
salt brought in, stone to
the Superintendent. It would
not be advisable to entrust
this duty to an under-paid
subordinate. If the
Assistant Superintendents
of the Dep't is the "officer"
meant, this should be
distinctly stated. At present
the Superintendent of a Dep't
generally

generally supervises the sto-
rage and sale of salt.

(C) In Rule IVII also an "Officer" other
than the Superintendent is
to weigh and deliver salt
and endorse all orders
with a certificate to the
effect that the quantity has
been duly delivered for-
warding them with his
account to the Superintendent.
The above remarks apply
here also.

(f) Rule I: The rent of Bonded
ware houses I am of opinion
that a rent calculated at
the rate of not less than
6 per cent on the original
outlay of the building
should

should be charged our present
charges for the annual monsoon
repairs ranges between $2\frac{1}{2}$ to 5
per cent on the original outlay
but some allowance must be
made for deterioration of
the buildings. A rent at
6 per cent will not be burden-
some to the Messrs. as our
warehouses will have to
be divided into 3 or 4 compart-
ments and the rent will
in consequence be also
divided amongst the holders
of these compartments. Taking
for instance one of our large
Kotars at Mangalore
capable

capable of holding 24,000 S. Inds
of salt and which originally
cost Rs 2750. Six per cent on
the original outlay amounts
to Rs 165, which gives but Rs
13-12.. per annum and this
amount will probably be
paid by two or more in-
dividuals according to the
number of compartments the
building may be divided into
our Kotars at Malunkal
Moulki and Kasargod where
bonded warehouses are to
be established, have origina-
lly cost less than one half
of the above amount and
consequently the rent to be
demanded for each of them
will

will not exceed Rs 6-14 --
per month or one half of
Rs 13-12 --. When considering
the rents that now prevail in
the town for warehouses and
shops I am rather inclined
to think that we should
charge rent at the rate of
not less than 8 per cent on the
original outlay.

(9) As regards private bonded
warehouses mentioned in
this Rule (10) I think that it
should be laid down
that no such warehouse
should be licensed unless
approved of by the collector
after

after personal inspection.

2. I beg to add that the Forms
mentioned in the Draft Rules,
and Board's Proceedings have
not as yet been received.

I have the
South Canara Deputy } [Sd.] J. Ball
Collector's office Mangalore } Dy Collector
Done 13 July 1877 }
(True copy)

[Sd.] W. H. Longman
Asst. Collector.

The collector of South
Canara has doubtless received
the draft forms by this time
and will have gathered from
Forms

From E. F & G that the permit referred to in para 4 of his letter is to be signed by the officer who superintends the weighing and delivery of the salt.

The question of the necessity of empowering the collector to grant remissions of salt assessment is one which the Board are not in a position to decide without further information. The rate of assessment seems to be on an average Rs 2 per acre and it is impossible, without some experience of the working of

of the excise system to come to the conclusion that this rate is not sufficiently light to justify the application of the rule generally in force as regards assessment on other lands in Canara viz: that the profits of favorable years must be taken as a set off against the losses in adverse seasons.

The interpretation of Rule 2 given in para 7 of Mr. Leary's letter is correct, and as presumed by him it was the intention of the Board.

Board that it should be left
to the Collector to decide by
what officer the weighing and
delivery of salt should be
supervised. The Board agree
with Mr Comyn in thinking
that the words "all officers
of Government" in Rule I
clause b are rather indefinite
and are prepared to adopt
the ^{amendment} ~~arrangement~~ suggested
by him viz "all officers of
Government appointed
under section 10 of the Excise
Act and all Revenue
Officers not below the grade
of Deputy Tahsildar."

With

With the above remarks the
Rules and Forms recorded with
in Board's Proceedings & dated
dated 23rd June 1877 No 2980
with the amendment above
specified will be submitted
for the approval of Government.
Their working will of course
have to be carefully watched
and modifications introduced
where experience may show them
to be necessary.

(True copies & extracts)

Forw'd
Ag. Sub. Secretary

To
The Secretary to Govt. R.D.
with copy of Bd's Pro. of 23 June/77
No 2980 & 2 enclos.

S. Krishnan

No. 3812

From

FOR ORDER