

- (1) Number of pages 14
- (2) Date of repair _____
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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

3247
14

G.O. No.	3247	Press.
B.P. No.		Mis.
Dated	14 - 11 - 1877	197 .

Not to be folded or roughly handled

No. 4,581.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 1st October 1877.

Read Proceedings of the High Court of Judicature at Madras, dated 18th September 1877, No. 2,119.

Read Register of Summary Trials held by the Deputy Magistrate of Ganjam in Cases Nos. 11 to 15 and 17 to 24 of 1877.

In Cases Nos. 17, 18, 19, and 20, the accused have been convicted of collecting salt earth from salt swamps or of being in possession of salt earth for the purpose of making salt illicitly, and have been sentenced in three cases (Cases 17, 19, and 20) to pay fines, and in one case (Case No. 18) to be imprisoned for seven days.

The convictions purport to be under Act XVII of 1840. That Act, however, does not define what acts amount to breaches of the salt laws, but merely invests the Magistracy (as distinguished from the then *Criminal Courts*) with certain powers of punishment in respect of acts which, under the existing law, amounted to breaches of the salt laws. The declaratory law as to what acts amount to breaches of the salt laws is contained in Madras Regulation I of 1805. Section 18 of that Regulation enacts that "Any person engaging in any clandestine or fraudulent transaction with respect to rowannahs or passes, smuggling, or conniving at the smuggling of salt, making, purchasing, obtaining, selling, or weighing salt in an illicit manner, shall, on conviction, besides being fined at the discretion of the Judge, according to the circumstances of the case, be liable to permanent exclusion from the service of the Company."

The High Court are of opinion that the collecting of salt earth from salt swamps or the being in possession of salt earth for the purpose of making salt does not come within any of the terms of Section 18 of Regulation I of 1805.

The Court are aware that a contrary decision was arrived at in 1869 (High Court Proceedings, 1st July 1869) when it was held that being in possession of salt earth for the admitted purpose of making salt was an "engaging in a clandestine and fraudulent transaction with respect to making salt in an illicit manner." That decision was also followed in a subsequent case decided in April 1871.

In one of the cases now under consideration (Case No. 20), the purpose for which the salt earth was collected was admitted to be the making of salt. In the other three cases, it does not appear that any evidence was given or that any admission was made as to the purpose for which the salt earth was intended. It is not, however, sought on that ground to distinguish the cases now before the Court from the case decided in the Proceedings of the 1st July 1869.

The High Court are of opinion that the ruling of July 1869 was erroneous, and they think that the decision then arrived at should be overruled.

An enactment (Act No. VI of 1871) is now on the Statute book under which the acts, for which the accused have now been punished, might be legally dealt with. The Local Government have not, however, issued the notification required by law to bring that Act into force in the district in which the cases now dealt with arose. Until the new Act is brought into force, convictions such as those now before the Court must be held to be illegal.

The High Court annul the convictions of the accused in Cases Nos. 17, 18, 19, and 20 on the file of the 1st-class Deputy Magistrate of Ganjam, and direct that the fines levied be refunded to the accused persons.

Ordered accordingly.

(Signed) J. T. WEIR,
Acting Registrar,
Appellate Side.

THE Board resolve to call the attention of Government to the very serious defects on the Salt Revenue which is likely to be produced by the foregoing ruling as soon as it obtains publicity, and to suggest that the earliest possible steps may be taken to remedy the defect in the law as now interpreted. Doubts have long been entertained as to whether the use of salt earth was a punishable offence as the law stands, and although it might be argued with truth that the salt earth is often really an impure salt seeing that a specimen obtained by the Salt Commission from a swamp near Vizagapatam contained as much as 69 per cent. of chloridis, chiefly chloride of sodium, the Board do not suppose that the High Court would be prepared to reconsider their decision on this ground only. In illustration of the necessity which exists for adopting stringent measures for the repression of earth salt manufacture, the Board need only refer to that portion of the report of the Salt Commission which treats of the subject, paragraphs 257 *et seq.*; the vast extent of the salt swamps, the difficulty of guarding them effectually, the extensive consumption of salt produced from the salt earth, and the results of the active measures taken to suppress the manufacture clearly appear, and if such difficulties have been experienced in keeping within some bounds, a practice which has hitherto been popularly believed to be illegal and so regarded by the Courts, it is evident that, as soon as this impression is removed, a great impetus will be given to the collection of salt earth and manufacture of salt therefrom: the small Police force at present engaged would be powerless to oppose the large bodies of men who would unite and openly carry on the traffic which is now clandestine.

2. The Board are not in possession of any data on which the loss of revenue likely to be involved in an unrestricted use of salt produced from salt earth can be determined with any approach to accuracy, but that it will amount to a considerable sum throughout the East Coast a rough estimate of the effects of illicit practices of this nature on the consumption of Ganjam and Vizagapatam alone based on the figures at pages 166 and 167 of the Salt Commission Report will serve to show. A total of 696,458 was arrived at as the probable annual consumption of the two Madras districts above specified, the Tributary mahals and the Central Provinces tract below the Customs line; deducting the amount consumed outside this Presidency, viz., 264,138 maunds, the balance, 432,320 maunds, is approximately the consumption of the two northern districts, or 9.31 lbs. per head, but the average consumption arrived at for the whole Presidency after the exclusion of 3 millions in the Ceded Districts who eat no sea-salt was 12.38 lbs. per head; it may be assumed therefore that the consumption is at least 3 lbs. per head below the proper standard; the population being 5,821,342 the loss is 11,464,026 lbs. = 139,320 maunds, valued at Rupees 2,78,640, for two districts only; that this estimate does not err on the side of exaggeration is almost certain; the local officers consulted by the Salt Commission estimated the consumption at only 7.3 lbs. and 6.6 lbs. per head for the Ganjam and Vizagapatam Districts respectively. A similar computation is not feasible for the East Coast Districts, but from paragraph 259 of the Report already quoted it may be gathered that illicit practices prevail to some extent all along the East Coast and that the revenue is seriously affected thereby in South Arcot, Trichinopoly, and Madura.

3. It is abundantly evident therefore that the risk of so heavy a loss cannot be accepted, and the best plan appears to the Board to be the immediate enactment of a short Act declaring that any person engaging in the collection of salt earth or swamp salt, being in the possession of salt earth for the purpose of making salt or manufacturing salt from salt earth, shall be held to have committed an offence within the meaning of

Section 18, Regulation I of 1805. The Act would not extend to the West Coast in which the Excise Act has already been introduced, and need not be brought into operation in the Ceded Districts and Kurnool where the manufacture is recognized, until the question of its suppression is settled. Such a complete remodelling of the salt laws as is shown by the Commissioners to be necessary, if the present system is to continue could not be undertaken at a moment's notice and the general introduction at once of the Excise Act, which is the remedy hinted at in the High Court judgment, is out of the question. The Board suggest the advisability of passing a Bill of the nature indicated through the Local Legislature without delay.

(A true Copy and Extract.)

Sub-Secretary.

To the Secretary to Government, Revenue Department.

Ed. W. J. Lewis.

Proceedings of the Madras Government

Read the following Proceedings of the Board of Revenue dated 1st October 1877, N^o 4581, calling attention to the very serious effects on the Salt Revenue likely to be produced by the ruling of the High Court of Judicature under date the 18th September 1877 N^o 2119, and suggesting the advisability of passing a Bill through the local Legislature without delay.

Order thereon 14th November 1877, N^o 3247.

His Grace the Governor in Council desires that the Advocate General will prepare the draft of a Bill in accordance with the suggestions of the Revenue Board.

(True Extract)

[Sig.] C. G. Master

Secretary to Gov^t

To, The Advocate General
with original Memoranda & Notes of Members of Gov^t
Board of Revenue

Board of Revenue,
MADRAS.

1877.

PROCEEDINGS, 1st OCTOBER 1877, N^o 4581.

Encl.

Received

OCTOBER.
No. 4581.

Salt-act.—Calling the attention of Government to the serious effects on salt revenue likely to be produced by the ruling of the High Court regarding the legality of collecting from salt swamps or of being in possession of salt-act for the purpose of making salt illicitly; and suggesting the speedy amendment of the law on the subject.

November 1877 28247

No. 3247

Proof the Madison Post

Batch 14 November 1877

PROCEEDINGS OF THE BOARD OF REVENUE, dated 1st October 1877.

Read Proceedings of the High Court of Judicature at Madras, dated 18th September 1877, No. 2,119.

Read Register of Summary Trials held by Deputy Magistrate of Ganjam in Cases Nos. 11 to 15 and to 24 of 1877.

In Cases Nos. 17, 18, 19, and 20, the accused have been convicted of collecting salt earth from salt swamps or of being in possession of salt earth for the purpose of making salt illicitly, and have been sentenced to pay fines, and in one case (Case No. 18) to be imprisoned for seven days.

The convictions purport to be under Act XVII of 1840. That Act, however, does not define what acts amount to breaches of the salt laws, but merely invests the Magistracy (as distinguished from the then *Criminal Courts*) with certain powers of punishment in respect of acts which, under the existing law, amounted to breaches of the salt laws. The declaratory law as to what acts amount to breaches of the salt laws is contained in Madras Regulation I of 1805. Section 18 of that Regulation enacts that "Any person engaging in any clandestine or fraudulent transaction with respect to rowannahs or passes, smuggling, or conniving at the smuggling of salt, making, purchasing, obtaining, selling, or buying salt in an illicit manner, shall, on conviction, besides being fined at the discretion of the Judge, according to the circumstances of the case, be liable to permanent dismission from the service of the Company."

The High Court are of opinion that the collecting of salt earth from salt swamps for the purpose of making salt does not come within any of the terms of Section 18 of Regulation I of 1805.

The Court are aware that a contrary decision was arrived at in 1869 (High Court Proceedings, 1st July 1869) when it was held that being in possession of salt earth for the admitted purpose of making salt was an "engaging in a clandestine and fraudulent transaction with respect to making salt in an illicit manner." That decision was also followed in a subsequent case decided in April 1871.

In one of the cases now under consideration (Case No. 20), the purpose for which the salt earth was collected was admitted to be the making of salt. In the other three cases, it does not appear that any evidence was given or that any admission was made as to the purpose for which the salt earth was intended. It is not, however, sought on that ground to distinguish the cases now before the Court from the case decided in the Proceedings of the 1st July 1869.

The High Court are of opinion that the ruling of July 1869 was erroneous, and they think that the decision then arrived at should be overruled.

An enactment (Act No. VI of 1871) is now on the Statute book under which the acts, for which the accused have now been punished, might be legally dealt with. The Local Government have not, however, issued the notification required by law to bring that Act into force in the district in which the cases now dealt with arose. Until the new Act is brought into force, convictions such as those now before the Court must be held to be illegal.

The High Court annul the convictions of the accused in Cases Nos. 17, 18, 19, and 20 on the file of the 1st-class Deputy Magistrate Ganjam, and direct that the fines levied be refunded to the accused persons.

Ordered accordingly.

(Signed) T. WEIR,
Acting Registrar,
Appellate Side.

THE Board resolve to call the attention of Government to the very serious effects on the Salt Revenue which is likely to be produced by the foregoing ruling as soon as it obtains publicity, and to suggest that the earliest possible steps may be taken to remedy the defect in the law as now interpreted. Doubts have long been entertained as to whether the use of salt earth was a punishable offence as the law stands, and although it might be argued with truth that the salt earth is often really an impure salt seeing that a specimen obtained by the Salt Commission from a swamp near Vizagapatam contained as much as 69 per cent. of chloridis, chiefly chloride of sodium, the Board do not suppose that the High Court would be prepared to reconsider their decision on this ground only. In illustration of the necessity which exists for adopting stringent measures for the repression of earth salt manufacture, the Board need only refer to that portion of the report of the Salt Commission which treats of the subject, paragraphs 257 *et seq.*; the vast extent of the salt swamps, the difficulty of guarding them effectually, the extensive consumption of salt produced from the salt earth, and the results of the active measures taken to suppress the manufacture clearly appear, and if such difficulties have been experienced in keeping within some bounds, a practice which has hitherto been popularly believed to be illegal and so regarded by the Courts, it is evident that, as soon as this impression is removed, a great impetus will be given to the collection of salt earth and manufacture of salt therefrom: the small Police force at present engaged would be powerless to oppose the large bodies of men who would unite and openly carry on the traffic which is now clandestine.

2. The Board are not in possession of any data on which the loss of revenue likely to be involved in an unrestricted use of salt produced from salt earth can be determined with any approach to accuracy, but that it will amount to a considerable sum throughout the East Coast a rough estimate of the effects of illicit practices of this nature on the consumption of Ganjam and Vizagapatam alone based on the figures at pages 166 and 167 of the Salt Commission Report will serve to show. A total of 696,458 was arrived at as the probable annual consumption of the two Madras districts above specified, the Tributary mahals and the Central Provinces tract below the Customs line; deducting the amount consumed outside this Presidency, viz., 264,138 maunds, the balance, 432,320 maunds, is approximately the consumption of the two northern districts, or 9.31 lbs. per head, but the average consumption arrived at for the whole Presidency after the exclusion of 3 millions in the Ceded Districts who eat no sea-salt was 12.38 lbs. per head; it may be assumed therefore that the consumption is at least 3 lbs. per head below the proper standard; the population being 3,821,342 the loss is 11,464,026 lbs. = 139,320 maunds, valued at Rupees 2,78,640, for two districts only; that this estimate does not err on the side of exaggeration is almost certain; the local officers consulted by the Salt Commission estimated the consumption at only 7.3 lbs. and 6.6 lbs. per head for the Ganjam and Vizagapatam Districts respectively. A similar computation is not feasible for other East Coast Districts, but from paragraph 259 of the Report already quoted it may be gathered that illicit practices prevail to some extent all along the East Coast and that the revenue is seriously affected thereby in South Arcot, Trichinopoly, and Madura.

3. It is abundantly evident therefore that the risk of so heavy a loss cannot be accepted, and the best plan appears to the Board to be the immediate enactment of a short Act declaring that any person engaging in the collection of salt earth or swamp salt, being in the possession of salt earth for the purpose of making salt or manufacturing salt from salt earth, shall be held to have committed an offence within the meaning of

Section 18, Regulation I of 1905. The Act would not extend to the West Coast in which the Excise Act has already been introduced, and need not be brought into operation in the Ceded Districts and Kurnool where the manufacture is recognized, until the question of its suppression is settled. Such a complete remodelling of the salt laws as is shown by the Commissioners to be necessary, if the present system is to continue could not be undertaken at a moment's notice and the general introduction at once of the Excise Act, which is the remedy hinted at in the High Court judgment, is out of the question. The Board suggest the advisability of passing a Bill of the nature indicated through the Local Legislature without delay.

(A true Copy and Extract.)

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

To the Secretary to Government, Revenue Department.

Exd. W. J. Lewis.

Rev Depy

No 4581

Proceedings of the Board of Revenue
Dated 1st October 1877

The following:—

No 2117

Proceedings of the High Court of Judicature
at Madras, 18th September 1877

Read the of Summary Trials held by
the Magistrate of Coimbatore in
Cases Nos 15 and 17 to 24 of 1877

In Cases Nos 17, 18, 19 and 20, the
accused have been convicted of collecting
salt from salt swamps or of being
in possession of salt earth for the purpose
of making salt illicitly, and have
been sentenced in three cases (Cases 17
and 20) to pay fines, and in one case
(Case No 18) to be imprisoned for seven days.

The Commission's purport to be under
Act XVII of 1860. That Act, however, does
not define what acts amount to breaches
of the salt laws, but merely refers to the
Magistrate (as distinguished from the
Criminal Court) with certain powers of
punishment in respect of acts which,
under the salt laws, amount to
breaches of the salt laws. The declaration
to what acts amount to
breaches

1877.

Board of Revenue,
MADRAS.

Proceedings, 1st October 1877, No. 4581.

Received

OCTOBER.
No. 4581.

Salt earth.—Calling the attention of Govern-
ment to the serious effects on salt revenue likely
to be produced by the ruling of the High Court
regarding the legality of collecting salt from
salt swamps or of being in possession of salt
earth for the purpose of making salt illicitly;
and suggesting the expediency amendment of the
law on the subject.

long been entertained as to whether the use
 of salt earth was a punishable offence,
 as the law stands, and although it
 might be argued with truth that the
 salt earth is often really an impure
 salt seeing that a specimen obtained
 from the salt Commission from a Swamp
 near Kialapattam contained as much as
 69 per cent of Chloride, Chiefly Chloride of
 Sodium, the Board do not suppose that
 the High Court would be prepared to
 reconsider their decision on this ground
 only. In illustration of the necessity which
 exists for adopting ^{strong} measures for
 the suppression of salt earth manufacture
 the Board need only refer to that portion
 of the Report of the Salt Commission which
 treats of the subject par at 84 seq.
 The vast extent of the manufacture
 difficult of guarding them
 extensive Consumption of the salt earth and the
 measures taken to suppress the manufacture
 clearly appear and if such difficulties were
 borne in mind in proceeding within some
 popular practice which was hitherto
 defended by the Courts it would seem that in
 soon as this impression is removed a great
 improvement will be seen in the collection of salt
 earth and manufacture of salt manure;
 the small police force at present employed
 would be found to be quite sufficient to
 carry on the traffic which is now conducted
 there.

The Board are not in possession
 of any data on which the loss of revenue
 likely to be involved in an unrestricted
 use of salt produced from salt earth

Can

Can be determined with any approach to
 accuracy, but it will amount to a consi-
 derable sum inasmuch as the East Coast
 of India is the seat of the effects of illicit prac-
 tices of this nature on the Consumption of
 Ganjam and Kialapattam alone based on
 the figures in papers 166 and 167 of the
 Salt Commission Report will show to
 the value of Rs 64,58 was assessed
 at the time of the annual Consumption
 of the two districts above specified
 the Tribhuvanahab and the Central Pro-
 vinces tract along the Customs line, deduct-
 ing the amount consumed outside this
 Presidency Rs 26,138 Ind. the balance
 4,32,320 is approximately the
 Consumption of the two Northern Districts,
 or 9.31 lbs per head but the average
 Consumption of the whole
 Presidency of the Exclusion of 3 millions
 in the North Districts who eat no sea
 salt was 12.38 lbs per head, it may
 be assumed therefore that the Consumption
 is at least 10 lbs per head below the proper
 standard; the population being 38,21,342
 the loss is 114,026 lbs = 139,320 Ind.
 valued at Rs 2,78,644 for two districts
 only; that the estimate does not take
 the side of the Government is almost certain.
 The local Officers consulted by the Salt Com-
 mission estimated the Consumption at only
 7.3 lbs and 6.5 lbs per head for the
 Ganjam and Kialapattam Districts respectively.
 A similar Consumption is not feasible
 for the East Coast Districts far from
 para 259 of the Report already quoted
 it may be assumed that illicit practices
 prevail to some extent all along the
 East Coast and that the Government
 serious effect thereby in S. Ind., Indrapur
 and Madras.

Calculations

breacher of the Salt Laws is contained in
 Madras Regulation I of 1805. Section 18
 of that Regulation enacts that "Any
 person engaging in any clandestine or
 fraudulent transaction with respect to woman-
 naks or passes, smuggling, or committing
 at the smuggling of Salt, making, pur-
 chasing, obtaining, selling, or using Salt
 in an illicit manner shall, on conviction,
 besides being fined at the discretion of the
 Judge, according to the circumstances of
 the case, be liable to permanent exclusion
 from the service of the Company."

The High Court are of opinion that
 the collecting of Salt Earth from Salt Swamps
 or the being in possession of Salt Earth
 for the purpose of making Salt does not
 come within any of the terms of Section 18.
 of Regulation I of 1805.

The Court are aware that a contrary
 decision was arrived at in 1869 (High Court
 Dec. 1st July 1869) when it was held
 that being in possession of Salt Earth for
 the admitted purpose of making Salt was
 an "engaging in a clandestine and fraudulent
 transaction with respect to making Salt in an
 illicit manner." That decision was also followed
 in a subsequent case decided in April 1871.

In one of the cases now under con-
 sideration (Case No 20), the purpose for
 which the Salt Earth was collected was admitted
 to be the making of Salt. In the other three
 cases, it does not appear that any evidence
 was given or that any admission was made
 as to the purpose for which the Salt
 Earth was intended. It is felt however,
 doubt in that regard to the facts in the
 cases

Salt Revenue Act

Cases now before the Court from the
 case decided in the Privy Council of the 1st July 1869.
 The High Court are of opinion that
 the ruling of July 1869 was erroneous and
 they think that the decision then arrived at
 should be overruled.

The enactment (Act No. II of 1877)
 is now in force. Statute book under which
 the Acts, which the accused have now
 been punished, might be legally dealt with.
 The Local Government have not however, issued
 the notification required by law to bring
 that Act into force in the District in
 which cases now dealt with arose. Until
 the new Act is brought into force, an-
 violations of the law as those now before the Court
 must be held to be illegal.

The High Court should the con-
 - victims of the accused in Cases Nos. 17, 18, 19
 and 20 on the file of the 1st Class District
 Magistrate of Tanjore, and direct that the
 fines levied be refunded to the accused
 persons.

Ordered accordingly

J. J. Weir
 Acting District
 Magistrate
 To the Secretary to the
 Board of Revenue
 Secy.

The Board resolve to call the attention
 of Government to the very serious effects on
 the Salt Revenue which is likely to
 be produced by the foregoing ruling as soon
 as it is published and to suggest
 that the Government possible steps may be
 taken to remedy the defect in the law
 as now in force. Doubts have
 long

Long have entertained as to whether the use
 of salt earth was a punishable offence,
 as the law stands, and although it
 might be argued with truth that the
 salt earth is often really an impure
 salt, seeing that a specimen obtained
 by the Salt Commission from a Swamp
 near Kialapalam contained as much as
 69 per cent of Chlorides, Chiefly Chloride of
 Sodium, the Board do not suppose that
 the High Court would be prepared to
 reconsider their decision on this point
 only in illustration of the necessity which
 exists for adopting measures for
 the suppression of salt earth manufacture
 the Board need not be troubled with
 the details of the subject, but the
 facts of the subject are such that
 the vast extent of the
 difficulty of guarding them
 extensive consumption of salt
 the salt earth and the
 measures taken to suppress the manufacture
 clearly appear and if such difficulties have
 been experienced in keeping within some
 bounds a practice which was hitherto
 popular, believed to be legal and so
 defended by the Courts it would seem that in
 so far as this impression is removed a great
 impetus will be given to the collection of salt
 earth and manufacture of salt therefrom.
 A small police force at present engaged
 would be powerless to oppose the large bodies
 of men who should unite and speak
 only on the traffic which is now conducted
 there.

The Board are not in possession
 of any data on which the loss of revenue
 likely to be involved in an unrestricted
 use of salt produced from salt earth

Can

Can be determined with any approach to
 accuracy, but it will amount to a consi-
 derable sum inasmuch as the East Coast
 consumption of the effects of illicit prac-
 tices of this nature on the consumption of
 Ganjam and Kialapalam alone based on
 the figures in papers 166 and 167 of the
 Salt Commission Report will come to
 Rs. 69,645.8 was arrived
 at as the probable annual consumption
 of the two districts above specified
 the Tributary, Mahab and the Central Pro-
 vinces tract, when the Customs line, deduct-
 ing the amount consumed outside this
 Presidency Rs. 2,64,138 Ind. the balance
 4,32,320 is approximately the
 consumption of the two Northern Districts
 or 9.31 lbs. per head but the average
 consumption received at for the whole
 Presidency of the exclusion of 3 millions
 in the two districts who eat no sea
 salt was 12.38 lbs per head. it may
 be assumed therefore that the consumption
 is at least 10 lbs per head below the proper
 standard, the population being 38,21,342
 the loss is 114,026 lbs = 139,320 Ind.
 valued at Rs. 298,644 for two districts
 only. That this estimate does not give
 the side of exaggeration is almost certain.
 The local officers consulted by the Salt Com-
 mission estimated the consumption at
 7.3 lbs and 6.6 lbs per head for the
 Ganjam and Kialapalam Districts respectively.
 A similar consumption is not feasible
 for the East Coast districts far from
 para 259 of the Report already quoted
 it may be assumed that illicit practices
 prevail to some extent all along the
 East Coast and that the consequence is
 serious affect to the health of
 And Madras.

Calculations

2 It is abundantly evident therefore that the risk of so heavy a loss cannot be excepted, and the best plan appears to be proposed to be the immediate enactment of a short Act declaring that in any person infringing in the collection of salt earth or Swamp Salt being in the possession of salt earth for the purpose of making salt or manufacturing salt from salt earth shall be held to have committed an offence within the meaning of Section 18 Regulation of 1805. The Act would not extend to the West Coast in which the Excise Act has already been introduced and need not be brought into operation and need not be amended where the Excise Act is already in force until the question is settled. Such a Commission modelling of the salt laws as is shown to be necessary, if the Commission is to continue could not be undertaken at a moment's notice and the formal introduction at once of the Excise Act which is the remedy limited in the High Court Judgment is out of the question. The Board suggest the advisability of passing a Bill of the nature indicated through the Local Legislature without delay.

(Enc. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100)

Collected
 The Secretary of Government
 Civil Dept.

Shafiniam

32/10
 outside be applied by the 7th of 1805 in the 7th of 1805

Salt
3247

2247

Rev. Dept.

No 3247.

Proceedings of the Madras Government.
Under date the 14 November 1877.

Read the following
Proceedings of the Board of
Revenue, dated 1st October 1877,
No. 4581, calling attention to
the very serious effects on the
Salt Revenue likely to be pro-
duced by the ruling of the
High Court of Judicature under
the 18th September 1877,
No. 2119, and suggesting the advisa-
bility of passing a Bill through
local Legislature in that behalf.

His Grace the Governor
Council desires that the
Advocate

No 4228

Pro. of the 1st of Nov.

2247
2247
2247

2247-11-77-2247.

Calling attention of Govt
to the very serious effects
on the Salt Revenue likely
to be produced by the ruling
of the High Court of Judicature
under the 18th September 1877,
No. 2119, and suggesting the
advisability of passing a
Bill through the local legisla-
ture in that behalf.

139
2247-11-77-2247.
2247-11-77-2247.

Advocate General will pre-
pare the draft of a Will
in accordance with the sug-
gestions of the Revenue Board.

W. M.

Advocate General
with original Memoranda & Notes of Members
24. 14

End. 14

G.O.
Draft of Bill
Salt - Earth

GOVERNMENT MADRAS.
REVENUE DEPARTMENT.

14th November 1877, No. 3,247.

Read the following paper:—

No. 139. Proceedings of the Board of Revenue, dated 1st October 1877,
No. 4,581.

Read Proceedings of the High Court of Judicature at Madras, dated 18th September
1877, D. 2,119.

Read Register of Summary Trials held by the Deputy Magistrate of Ganjam in Cases
Nos. 11 to 15 and 17 to 24 of 1877.

In Cases Nos. 17, 18, 19, and 20, persons used have been convicted of collecting salt earth from salt swamps or of being in possession of salt earth for the purpose of making salt illicitly, and have been sentenced to pay fines, and in one case (Case No. 18) to be imprisoned for seven days.

The convictions purport to be under Act No. XVII of 1840. That Act, however, does not define what acts amount to breach of the salt laws, but merely invests the Magistrate (as distinguished from the District Courts) with certain powers of punishment in respect of acts which, under existing law, amounted to breaches of the salt laws. The declaratory law as then in force is contained in Madras Regulation No. 805. Section 18 of that Regulation enacts that "Any person engaging in any clandestine or fraudulent transaction with respect to rowannahs or passes, smuggling, making, purchasing, obtaining, selling, or buying salt in an illicit manner, shall, on conviction, besides being fined at the discretion of the Judge, according to the circumstances of the case, be liable to permanent exclusion from the service of the Company."

The High Court are of opinion that the collecting of salt earth from salt swamps or the being in possession of salt earth for the purpose of making salt does not come within any of the terms of Section 18 of Regulation I of 1805.

The Court are aware that a contrary decision was arrived at in 1869 (High Court Proceedings, 1st July 1869) when it was held that being in possession of salt earth for the admitted purpose of making salt was an "engaging in a clandestine and fraudulent transaction with respect to making salt in an illicit manner." That decision was also followed in a subsequent case decided in April 1871.

In one of the cases now under consideration (Case No. 20), the purpose for which the salt earth was collected was admitted to be the making of salt. In the other three cases, it does not appear that any evidence was given or that any admission was made as to the purpose for which the salt earth was intended. It is not, however, sought on that ground to distinguish the cases now before the Court from the case decided in the Proceedings of the 1st July 1869.

The High Court are of opinion that the ruling of July 1869 was erroneous, and they think that the decision then arrived at should be overruled.

An enactment (Act No. VI of 1871) is now on the Statute book under which the acts, for which the accused have now been punished, might be legally dealt with. The Local Government have not, however, issued the notification required by law to bring that Act into force in the district in which the cases now dealt with arose. Until the new Act is brought into force, convictions such as those now before the Court must be held to be illegal.

The High Court annul the conviction of the accused in Cases Nos. 17, 18, 19, and 20 on the file of the 1st-class Deputy Magistrate of Ganjam, and direct that the fines levied be refunded to the accused persons.

Ordered accordingly.

(Signed) T. WEIR,
Acting Registrar,
Appellate Side.

The Board resolve to call the attention of Government to the very serious effects on the Salt Revenue which is likely to be produced by the foregoing ruling as soon as it obtains publicity, and to suggest that the earliest possible steps may be taken to remedy the defect in the law as now interpreted. Doubts have long been entertained as to whether the use of salt earth as a punishable offence as the law stands, and although it might be argued with truth that the salt earth is often really an impure salt seeing that a specimen obtained by the Salt Commission from a swamp near Vizagapatam contained as much as 68 per cent. of chlorides, chiefly chloride of sodium, the Board do not suppose that the High Court would be prepared to reconsider their decision on this ground only. An illustration of the necessity which exists for adopting stringent measures for the recession of earth salt manufacture, the Board need only refer to that portion of the report of the Salt Commission which treats of the subject, paragraphs 257 "et seq.;" the vast extent of the salt swamps, the difficulty of guarding them effectually, the extensive consumption of salt produced from the salt earth, and the results of the active measures taken to suppress the manufacture clearly appear, and if such difficulties have been experienced in keeping within some bounds, a practice which has hitherto been popularly believed to be illegal and so regarded by the Courts, it is evident that, as soon as suppression is removed, a great impetus will be given to the collection of salt earth and manufacture of salt therefrom: the small Police force at present engaged would be powerless to oppose the large bodies of men who would unite and openly carry on a traffic which is now clandestine.

2. The Board are not in possession of any data on which the loss of revenue likely to be involved in an unrestricted use of salt produced from salt earth can be determined with any approach to accuracy, but that it will amount to a considerable sum throughout the East Coast a rough estimate of the effects of illicit practices of this nature on the consumption of Ganjam and Vizagapatam alone based on the figures at pages 166 and 167 of the Salt Commission Report will serve to show. A total of 696,458 was arrived at as the probable annual consumption of the two Madras districts above specified, the Tributary tahsils and the Central Provinces tract below the Customs line; deducting the amount consumed outside this Presidency, viz., 264,138 maunds, the balance, 432,320 maunds, is approximately the consumption of the two northern districts, or 9.31 lbs. per head, but the average consumption arrived at for the whole Presidency after the inclusion of 3 millions in the Ceded Districts who eat no sea-salt was 12.38 lbs. per head; it may be assumed therefore that the consumption is at least 3 lbs. per head below the proper standard; the population being 3,821,342 the loss is 11,464,6 lbs. = 139,320 maunds, valued at Rupees 2,78,640, for two districts only; that estimate does not err on the side of exaggeration is almost certain; the local officer consulted by the Salt Commission estimated the consumption at only 7.3 lbs. and 6 lbs. per head for the Ganjam and Vizagapatam Districts respectively. A similar computation is not feasible for other East Coast Districts, but from paragraph 2 of the Report already quoted it may be gathered that illicit practices prevail to some extent all along the East Coast and that the revenue is seriously affected thereby South Arcot, Trichinopoly, and Madura.

3. It is abundantly evident therefore that the risk of so heavy a loss cannot be accepted, and the best plan appears to the Board to be the immediate enactment of a short Act declaring that any person engaging in the collection of salt earth or swamp salt, being in the possession of salt for the purpose of making salt or manufactur-

ing salt from salt earth, shall be held to have committed an offence within the meaning of Section 18, Regulation I of 1805. The Act which the Excise Act has already been introduced, and need not be brought into operation in the Ceded Districts and Kurnool, where the manufacture is recognized, until the question of its suppression is settled, such a complete remodelling of the salt laws as is shown by the Commissioners to be necessary, if the present system is to continue could not be undertaken at a moment's notice and the general introduction at once of the Excise Act, which is the remedy hinted at in the High Court judgment, is out of the question. The Board suggest the advisability of passing a Bill of the nature indicated through the Local Legislature without delay.

(A true Copy and Extract.)

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

No. 140.

ORDER THEREON, 14th November 1877, No. 3,247.

Separate Revenue, No. 14.

Salt.

GRACE the Governor in Council that the Advocate-General will prepare the draft of a Bill in accordance with the suggestions of the Revenue Department.

(True Extract.)

(Signed) C. G. MASTER,
Secretary to Government.

To the Advocate-General, with original memoranda and notes of Members of Government.

Exd. A. F. Goodall.

14/17
Cost. of (1877) *Myadna*.

REVENUE.

THE ADVOCATE-GENERAL,
Esq., &c., &c.

Dated November 14th.

Recd.

Encl.

G. O. 14th November 1877, No. 139.

NOVEMBER
Nos. 139, 140.

Self Encl.—Desiring the Advocate-General to prepare the draft of a Bill declaring persons engaged in the collection of — for the purpose of manufacturing salt to have committed an offence within the meaning of Section 18, Regulation I of 1805.