M.R.O. 14-5,450—22-10-25.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 177 Press ~~Mis.~~

377-C 377-D.

Dated 18— 1 — 1867.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
15th January 1867.

No. 377 C. Read the following letter from the Secretary to the Government of India, Financial Department, to the Secretary to the Government of Madras, dated Simla, the 14th July 1866, No. 1,441 :—

1. In reply to your letter dated the 12th May 1865, No. 1,009, and with reference to the intimation conveyed in your letter of the 14th June last, No. 1,456, I am directed to convey the authority of the Governor General in Council for the introduction, into the Local Legislature, of a Bill to enable the Government of Madras to adopt the Excise system of Salt Revenue on the Western Coast of that Presidency, and there to fix, subject to the approval of the Government of India, the rate of duty on imported salt, and the selling price of such salt as the Government may continue to import and sell at their depôts.

2. An early communication is invited on the subject of the proposed rate and price.

No. 377 D. ORDER THEREON, 15th January 1867, No. 177.

Separate Revenue, No. 17.
Salt.

Ordered that the following letter be despatched, and the Draft Bill, as amended by Government, be transferred to the Legislative Department, in view to its being brought before the Council of the Governor for making Laws.

(True Extract.)

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

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

Exd. S. T. Augustin.

Duty on the Coast
Not to levy this. to

2

REVENUE DEPARTMENT.
FORT SAINT GEORGE,
15*th January* 1867.

No. 377 E. No. 178.
To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

Separate Revenue, No. 17A.
Salt.

1. With reference to your letter dated 14th July last, No. 1,441, I am directed to state that a Bill will be introduced into the Council of the Right Honorable the Governor for making Laws, to enable the Government to adopt the Excise system of Salt administration in this Presidency, where expedient.

2. It will be most convenient not to fix any rate of Excise or Customs duty in the Act, but to leave this to be determined from time to time by the Government, under the authority of the Governor General in Council.

3. Prior to the passing of Act XIX. of 1866, the selling price of Monopoly Salt was Rupee 1-8-0 per Indian Maund, and the Import duty on Foreign Salt was Rupee 1-6-0. That Act raised the price to Rupee 1-11-0, and the Import duty should therefore be Rupee 1-9-0. But two Annas per Indian Maund no longer represents the cost of salt manufactured on the Western Coast, and as Rupee 1-8-0 per Indian Maund is the rate of Excise and Import duty in Bombay and the adjoining Province of North Canara, the Government would adopt it also in Malabar and South Canara under the new Act.

4. So long as circumstances render it necessary for the Government to import salt into Malabar and Canara, as a measure of precaution, the selling price of this salt will be fixed at the cost *plus* the duty, the cost including a fair margin of profit, so as not to exclude or discourage private enterprize. At present six Annas per Indian Maund represents this cost, and Rupee 1-14-0 will, therefore, be the Government price, until circumstances change, and private enterprize renders the interposition of Government unnecessary.

I have the honor to be,
Sir,
Your most obedient servant,
(Signed) J. D. SIM,
Secretary to Government.

Exd. S. T. Augustin.

duty on the Coast
but to leave this to be

A BILL

To enable the Government to levy a duty by way of Excise on Salt manufactured in such Districts of the Presidency of Fort Saint George as the Government may think proper.

WHEREAS it is expedient that the Government Monopoly of Salt within certain parts of the Madras Presidency shall cease, and that an Excise duty shall be levied upon all salt manufactured in such places, it is enacted as follows:—

I. The several Acts and Regulations mentioned in the Schedule A hereunto annexed, are hereby repealed, so far as regards any District to which this Act may be extended, except so far as they repeal the whole or any part of any other Act or Regulation, and except as to any offence which shall have been committed, or to any money which shall have become due, or to any fine or penalty which shall have been incurred, or to any proceedings which shall have been commenced, before this Act shall come into operation.

Repealing Clause.

II. It shall be lawful for the Collector of ~~such~~ any Districts to which this Act may be declared to be in force, to grant licenses for the manufacture of salt within his District to such persons as he shall think fit, ~~and~~ Such license shall contain the name of the person or persons to whom it is given, and shall specify the pan or place at which the manufacture is to be carried on, and shall embrace such conditions as the Board of Revenue may from time to time prescribe.

Collector to grant Licenses.

III. Any person manufacturing salt without a license, or violating the conditions of his license, or knowingly aiding any person in so doing, shall be punishable with imprisonment, with or without hard labor, for a term not exceeding three months, or to a fine not exceeding Rupees 500, or to both, and further the ~~pan or place of~~ manufacture may be suppressed, and the salt itself confiscated by the Collector.

Penalties for manufacturing without License.

IV. A license shall not be refused for manufacturing sea salt at any pan at work at the time of introducing such excise, unless the pan shall remain unworked for three consecutive seasons.

Licenses to be granted for existing salt works.

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

Collector may suppress salt works.

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

Place of storing salt.

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

Officer to exercise supervision.

VIII. An excise duty at such rate per ~~maund~~ as the Governor in Council may from time to time determine shall be levied on all salt manufactured in any District to which this Act may be extended.

Rate of duty.

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

Permit for removal.

X. Around each salt work and store, preventive stations shall be established by the Collector at which the permit shall be delivered up, and the salt, if agreeing with the permit, allowed to pass, after which it shall not be liable to further interference on the part of the Government officers.

Preventive stations.

XI. Salt of any description not manufactured in a District of the Madras Presidency, when imported by land into any District to which this Act may have been extended, shall be imported by certain routes *only* to be notified in the Official Gazette, and shall be charged a duty of customs at such rate ~~per maund~~ as the Governor in Council may from time to time determine, ~~and~~ shall be leviable at such places on the frontier as the Government may decide, and on such payment being made, a certificate shall be granted stating the quantity of salt passed, and the customs duty levied.

Salt imported by land.

XII. Salt shall only be imported by sea into any District to which this Act may be extended at such Ports as may from time to time be notified in the Government Gazette, and shall be charged a duty at such rate ~~per maund~~ as the Governor in Council may from time to time determine payable at such Ports, and on such duty being paid a certificate shall be granted, as provided in the preceding Section.

Salt imported by sea.

XIII. Any person who shall evade payment of the duties imposed by this Act, or who shall remove any salt without the permits hereby rendered necessary, or who shall import salt ~~by land or by sea~~, by any routes, or at any Ports not legally sanctioned for that purpose, or who shall pass any ~~so imported~~ salt without the proper certificates, or who shall be found engaging in any fraudulent transaction in regard to making, purchasing, obtaining, selling, or weighing salt, whether such salt shall be the property of Government or not, or who shall attempt to commit any of the above acts, or who shall aid any person in such commission or attempt, shall be punishable with imprisonment, with or without hard labor in irons, for a term not exceeding three months, or to a fine not exceeding Rupees 500, or to both, and the salt shall be liable to confiscation, together with the vehicles, boats, animals and packages employed in its conveyance.

Penalties for breach of Act.

XIV. It shall be lawful for the Governor in Council from time to time, by public Notification, to authorize officers

Granting time for payment of duty.

concerned in the collection of the salt revenue to grant time for the payment of duty, on such conditions, and under such circumstances as may be declared; and every person to whom such time is allowed shall enter into a bond conditioned for double the amount of the duty ultimately payable, and with or without sureties at the option of the officer accepting the same; and such bond may be according to the form given in Schedule B. of this Act.

Drawback of duties on exportation.

XV. It shall be lawful for the Governor in Council from time to time, by public Notification, to direct that the whole or any part of the duties paid or payable upon salt under the provisions of this Act, shall be returned or remitted to the holder thereof, on his undertaking to export the same to some specified place beyond the limit of the Madras Presidency, and the person ~~procuring~~ such remission or return shall enter into a bond conditioned for double the amount of the duty so returned or remitted, and with or without sureties at the option of the officer accepting the same; and such bond may be according to the form given in Schedule C. of this Act.

Enforcing Bonds.

XVI. All bonds given under this Act may be realized by seizure and sale of the property of the parties executing the same, under a warrant to be granted by the Collector of the District, or by any other person discharging the duties of Collector in the place in which such parties reside, and such warrant may be in the form given in Schedule D. of this Act, and interest on the amount of duty actually due, and all costs of enforcing payment may be included in the warrant; provided always, that where any fraud may have been practised upon Government in obtaining a return or remission of duty, or delay in payment thereof, execution may issue for the full amount of the penalties of the bond.

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

Police are to assist Salt officers.

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

Unlawful acts of Salt officers.

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

Power of confiscation.

XX. All confiscations under this Act shall be adjudged by the Collector, subject to an appeal to the Board of Revenue within ~~two~~ three months.

Grant of fines, &c., to informers.

XXI. The ~~authority~~ deciding the case may, at his discretion, award the whole, or any portion of the fines levied, or of the proceeds of any property confiscated under the provisions of this Act, to the party who seized the property, or who gave the information which led to the conviction; provided always, that no money shall be paid over to such person during the time allowed for appeal, or pending appeal, where any shall have been commenced.

Limitation of action, &c.

XXII. All actions for damages, and all prosecutions against any person, which may be lawfully brought for any thing done, or intended to be done, under the provisions of this Act, shall be commenced within six months after the act complained of shall have been committed, and not otherwise; and notice

in writing of such action, and of the cause thereof shall be given to the defendant one month at least before the commencement of the action; and no plaintiff shall recover in any such action, if tender of sufficient amends shall have been made before such action brought, or if a sufficient sum of money shall have been paid into Court after such action brought, by or on behalf of the Defendant.

Plea that act was done under order of a superior.

XXIII. Where any legal proceedings are taken against any person for any thing done, or intended to be done, under the provisions of this Act, it shall be lawful for the Defendant to plead that the act complained of was done in good faith, under the order of his superior officer; and upon establishing such plea, the defendant shall be entitled to a decree in hisfavor, although the superior officer had no jurisdiction to make such order; provided always, that nothing in this Section shall affect any remedy which the party injured may have against the authority who gave such order; provided also, that this Section shall not apply where a suit is brought against a Collector, for acts done under the orders of the local Government, or of the Board of Revenue.

Scope of Act.

XXIV. This Act shall take effect in any and every such District as the Governor in Council shall appoint by Notification published in the Official Gazette.

Short Title.

XXV. In citing this Act in other Acts and in legal instruments, it shall be enough to use the expression "The Madras Salt Act of 1865."

Schedule A.

Regulation	I. of 1805.
„	II. of 1807.
„	V. of 1831.
Act	XVII. of 1840.
„	VI. of 1844, Sections 43 and 44.
„	VII. of 1852.

Schedule B.

I, A. (or we A., B. and C.) acknowledge myself (or ourselves) to be bound to pay to the Collector of the sum of Rupees *(double the amount of the duty)*; but the condition of this bond is, that if I (or we) pay the sum of Rupees *(the amount of duty)* with interest at twelve per cent. from *(the date fixed for payment)* and costs of enforcing payment, then this bond shall be null and void.

Witness our hands A.
B.
C.

Schedule C.

I, A. (or we A., B. and C.) acknowledge myself (or ourselves) to be bound to pay to the Collector of the sum of Rupees *(double the amount of duty remitted or returned)*; but the condition of this bond is, that if I, A., do export maunds of salt from the port of on or before the day of or do repay Rupees *(the amount of duty remitted or returned)* with interest at twelve per cent. from *(the day of executing the bond)*, then this bond shall be null and void.

Witness our hands *A.*
B.
C.

Schedule D.

This warrant granted under the Madras Salt Act 1859 is to authorize of to levy the sum of Rupees principal and interest, and Rupees costs by seizure of the property of and if necessaryby sale after ten days' notice

Signature of Collector or Sr

&c., Collector. A. B.

Duty in the Act
not to come this to

Encl in a letter from the Actg Secy to the Bd of Revenue to the Actg Secy to Govt R D dated 13 Octr 1865 No 6491-

Rn 2953/65

Recd 15 Janry 1866 L 2376

A Bill to enable the Govt to levy a duty by way of Excise on Salt manufactured in such Districts of the Presidency of Fort St George as the Govt may think proper

No. 6,491.

From R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue,

To W. HUDLESTON, Esq., Acting Secretary to Government, R. D.

Sir,

With reference to paragraph 44 of the Order of Government, under date May 1st, 1865, No. 883, on the subject of excising the manufacture of Salt in South Canara and Malabar, I am directed by the Board of Revenue to submit the accompanying Draft Bill to enable Government to do so.

2. The Government will observe that the draft of an Act submitted by the Board with their letter under date 28th April 1859, No. 1,165, has been adopted, a few modifications, rendered necessary by the altered circumstances of the present day, having been made, and punishment for any illicit transactions in connection with Government sales of Salt, having been provided. The Draft Bill, as now submitted, will enable Government to adopt the Excise system either now or hereafter in any District they may think fit, a Notification by the Governor in Council extending the provisions of the enactment to the District in question, being all that will be necessary.

I have the honor to be,
Sir,
Your most obedient servant,

R. A. Dalyell
Acting Secretary.

REVENUE BOARD OFFICE,
Madras,
13th October 1865.

Col. J. Wright.

Pro 16 May 1859 Nos. 32-33
1 May 1865 — 10 A to B.

Revd 1865. Department.
Pro of Govt for Jany
167

No. 2953.
From the Acg. Secy. to the Board of Revenue,
To the Acting Secretary to Government, R. D.

Dated 13th October 1865.
Dept 10
Rec'd
Ex-

No. 6,491.

Submitting Draft Bill to enable Government to excise the manufacture of Salt in South Canara and Malabar.

No 377 C 377 D

Ex 30 Dept 65 Rec'd Rec'd 17 Jany

W. 177.

Ordered that the following Letter & Draft Bill, be amended by Govt, & be transmitted to the Legislature with a view to the Bill being brought before the Council of the Govt for Making Laws, & Ordinances

15th Jany 66.

5 Govt Legislative Dept
14 Board of Revenue 31 Jany

be determined from time to time by the Govt. under the authority of the G. G in C.

Prior to the passing of Act XIX of 1860, the selling price of Bengal salt was Rs 1-8-0. per Md. and the Import Duty on Foreign salt was Rs 1-6-0. That Act raised the price to Rs 1-11-0 and the Import Duty should thereupon be 1-9-0. But 2 annas per Md. is no longer sufficient to represent the cost of salt manufactured on the Western Coast, and as Rs 1-8-0 per M. is the ratio of Excise & Import duty in Bombay & the adjoining Provinces of North Canara, ~~the Coast to which the~~ it, also, the first needed a duty in Malabar & S. Canara. under the new Act.

So long as circumstances render it necessary for the Govt to impose salt, it should be as a measure of precaution, the selling price of this salt will be fixed at the cost plus the duty - the cost including a fair margin of profit, so as not to exclude or discourage private enterprise. At present six annas per M. represents the cost & three annas the duty - and

Bengal salt is cheaper than Bombay salt - & Bombay salt is cheaper than South Canara - are Bombay salt pans there?

Rs 1-14-0 with there
fore be the first price,
until circumstances
change and fix
rate can be made
which the inter-
position of Govt un-
necessary.

J. D.S.

Salt Excise

Council

Ord. Jany 67. Rev