

# The Indian Salt Industry: Transformation And Struggle Under British Colonial Rule (1837–1945)

Dr Anurag Agnihotri<sup>1</sup>, Dr Shubham Verma<sup>2</sup>

<sup>1</sup>Assistant professor, College of vocational studies, University of Delhi, anurag.agnihotri@cvs.du.ac.in

<sup>2</sup>Assistant professor, Amity Institute of International Studies Amity University Uttar Pradesh

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## Abstract

The Indian salt industry, which thrived for centuries as a cottage industry, underwent significant transformation during the British colonial era (1837–1945). Prior to British rule, India's indigenous salt production, encompassing sea brine, lake brine, subsoil brine, and rock salt deposits, satisfied domestic demand with minimal taxation and was distributed across diverse regions such as Bengal, Orissa, Bombay, Rajasthan, and Punjab. The arrival of the British marked the onset of systematic commercialization and exploitation of India's salt resources to serve colonial interests. This included introducing monopolistic policies, high salt taxes, and the flooding of Indian markets with imported British salt from Cheshire, undermining the indigenous salt industry.

Repressive policies led to the closure of several salt manufacturing centers, including those in Sultanpur and Nuh, significantly reducing production. In response, the Salt Satyagraha of 1930, led by Mahatma Gandhi, emerged as a pivotal act of civil disobedience, challenging the colonial salt laws.

This paper explores the geographical distribution, technological practices, and administrative policies of the salt industry in India during the colonial era, highlighting the industry's decline under British rule. It underscores the sociopolitical resistance against colonial policies and its implications for India's struggle for independence. Ultimately, the British monopoly and protection of their domestic salt industry devastated India's indigenous salt production, leaving a legacy of exploitation that persisted until independence.

**Keywords:** Indian Salt Industry, British Colonial Era, Salt Tax, Indigenous Industries, Economic Exploitation, British Economic Policies, Salt Legislation in India

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## INTRODUCTION

The studies regarding human civilisation could be contested from different perspectives. In lieu of the study of ideas and religions, such methodologies often use the analysis of historical relics and tools. Extensive historical studies have also been conducted on a number of factors that are vital to the continuing survival of humans. One such substance is salt. The availability of salt had affected settlements, population expansion and decrease, wars, large population migrations, agricultural improvements, and other historical events. The mineral halite (salt) is present worldwide in ocean water, landlocked salt lakes and in mountains as rock salt. On the surface, traces of former oceans, including some salt, were found in a scientific expedition such as in the western Kumaon Himalayas, from Amritpur to the Milam glacier and Dehradun to the Gangotri glacier.<sup>1</sup> Subterranean places that were originally the bottom of an old sea may also provide salt. Prior to around 150 years ago, salt was a highly coveted commodity. Something so valuable that it was used as currency, created strife and funded wars, helped secure empires and inspired revolutions.

In India, salt production flourished as a cottage industry for centuries around the coasts of Bengal, Bombay, Madras, and the Rann of Kutch. According to Arthshashtra, during the Mauryan era, a State official called 'Lavanadhyaksa' (Officer of Salt Department) controlled salt manufacturing as early as 300 BCE. The manufacturers interested were required to pay a fee or surrender a portion of their output in exchange for a manufacturing license.<sup>2</sup> Additionally, the salt imports were subject to a tax and the total amount of salt taxes was close to 25%.<sup>3</sup> In the pre-British period, it seemed that the salt manufacturing in majority of India was subjected to the salt tax of comparable or lesser magnitude than the tax imposed on salt during the British period. The tradition which was started by the Hindu Kings were passed down to the Indian government which had maintained the tradition of overseeing and manufacturing the salt in India. Historically, salt resources in India were plentiful across the country. The Punjab region (now in Pakistan) had a long history of using rock salt. Alexander the Great discovered via his investigations

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<sup>1</sup> Dane, Richard M. (1924). The Manufacture of Salt in India. *Journal of the Royal Society of Arts*.

<sup>2</sup> Strickland, C.F. (1931). Salt Making in India. *Scientific American*

<sup>3</sup> Plowden, George (1856). Report on the manufacture and sale of and tax upon Salt in British India.

that rock salt could be obtained in the Indian highlands. In the mountainous region at Khewra (now Punjab Pakistan), ancient salt mines have been discovered.<sup>1</sup> In the past, and in certain locations to this day, the inhabitants of Uttar Pradesh produce salt by lixiviating<sup>2</sup> salt earth. In Rajasthan, almost all the districts had its own salt industry. The requirements of the Indian people were satisfied by India's flourishing and wholly indigenous salt industry. However, the advent of the British signalled the beginning of systematic salt mining and manufacture on a commercial scale. The Indian salt industry was impacted by British legislations which were created exclusively to benefit the British interests. The average salt production during the British period was around 3 million tons, or 800 million maunds per annum.<sup>6</sup> This quantity of salt comes from the rock salt mines in Mandi, Himachal Pradesh, and the salt factories in Bombay, Madras, Rajasthan (particularly Sambhar, Pachbadra, and Didwana), Saurashtra, Kutch, Travancore, Orissa, West Bengal, and West Bengal.<sup>3</sup> Prior to achieving independence in 1947, India had to import salt from the United Kingdom and Aden to meet its domestic need. In contrast, the industry today produces not just enough salt to meet domestic demand, but also enough to sell on the global market. In 2020, the total salt production reached 25 million tons, up from 1947's output of 1.9 million tons.<sup>8</sup>

### Importance of Salt and Salt Industry

Salt, a valuable and readily transportable commodity, has always been essential to economies throughout histories. Civilisations first evolved on the desert's periphery, where salt deposits were already present on the surface. The precious salt resources of the ancient city of Essalt on the Jordan River were also considered to have played a role in the first battle. As a consequence of the widespread practice among Greek slave traders of swapping salt for slaves, the expression "not worth his salt" became popular. The word "salary" is derived from the Latin word "salarium," which referred to the salt payments made to Roman legionnaires. Salt was as precious to merchants in 12th-century Timbuktu, the entrance to the Sahara Desert and the seat of education, as books and gold. As a consequence of the British monarchy's dependence on high salt taxes, there was a flourishing black market for white crystal salt. In 1785, the Lord of Dundonald stated that 10,000 British citizens were arrested yearly for salt smuggling.<sup>4</sup>

In addition to its culinary functions, salt has traditionally played an important part in warfare. In times of war, when people's bodies and economies are already at their breaking point, the effects of a salt scarcity become much more obvious. Thousands of Napoleon's soldiers perished during the French retreat from Moscow as a result of inadequate wound healing and reduced susceptibility to sickness brought on by a lack of salt.<sup>5</sup> Upon the outbreak of the American Civil War, the Union Army promptly launched attacks against salt facilities in Virginia and Louisiana. Confederate soldiers surrendered Saltville and its strategically significant salt works to the North after a hard 36-hour struggle. So vital that Confederate President Jefferson Davis offered to waive from military service anybody who would tend salt kettles near the coast. The Confederacy needed the uncommon mineral salt for a number of purposes, including but not limited to preserving meat, tanning leather, dying uniform cloth, etc.<sup>6</sup>

Religions and cultures from all around the globe appreciate the significance of salt. Many people in southern India, notably in the state of Tamil Nadu, associate salt with the goddess Lakshmi. When returning from a funeral, in the Buddhist tradition, it is customary to throw salt over one's shoulder to fend off any evil spirits clinging to one's back.

All this indicates that salt is an important dietary component for both humans and animals. Normal components of naturally occurring foods include salts. It is used in the modern industrial sector, particularly in the Alkali industry for the production of caustic soda, soda ash, hydrochloric acid, etc. The use of salt is equally or perhaps more important and has many important uses in medicine, as well as direct uses in many diseases; it is essential for cattle and valuable for agriculture as manure; it has

<sup>1</sup> Directorate General of Archaeology (2016). The Salt Range and Khewra Salt Mine. *Government of Pakistan*.

<sup>2</sup> Lixiviating is the process of manufacturing salt in which the alkaline salts are extracted from the ashes by percolation of water.

<sup>6</sup> Dane, Richard M. (1924). The Manufacture of Salt in India. *Journal of the Royal Society of Arts*.

<sup>3</sup> Aggarwal, S C (1939). *The Sambhar Lake Salt Source*. Government of India Press, New Delhi <sup>8</sup>

Saltcom India (2022). Salt Industry in India. Retrieved December 28, 2022 from

[https://saltcomindia.gov.in/industry\\_india.html?tp=Salt](https://saltcomindia.gov.in/industry_india.html?tp=Salt)

<sup>4</sup> Bloch, D. (1815). Salt and the Evolution of Money. *CIHS Journal of Salt History*, 6(1).

<sup>5</sup> Tamil Nadu Salt Corporation (2022). Salt Industry in India. Retrieved December 28, 2022 from

[http://tnsalt.com/tnsaltnew/subcategory.php?sub\\_id=MTA3](http://tnsalt.com/tnsaltnew/subcategory.php?sub_id=MTA3)

<sup>6</sup> Scientific American (1892). The Salt Industry of India. 66(3), p. 3

germicidal properties and is beneficial to farmers, planters, and florists. It has been stated that the quality of salt used in factories is an excellent predictor of a nation's degree of industrialization.<sup>7</sup>

In India, the practice of manufacturing salt had been practised since the ancient times and there were small and medium manufacturing units established in different parts of the country. These salt industries were capable of meeting the demands of the local population and there was a minimal taxation system collected by the authorities in the respective states. However, the nature and condition of salt industry changed with the advent of the British in India.

### **Distribution of Salt Industry in India**

In India, Salt could be found from four different sources i.e., sea brine, lake brine, sub- soil brine and rock salt deposits. These sources are found in different geographical location of the country. In order to understand the condition of the salt industry before and during the British rule in India, it is imperative to know the location and significance of the salt industry in India. The major salt producing centres in India were:

#### **Northern India**

In the pre- British period, the Northern India's territories, including the present-day Pakistani province of the North West Frontier, the Punjab (a portion of which is also in Pakistan), Delhi, the United Provinces, the Central Provinces, Ajmer, etc., obtained their salt through the lixiviation of salt earth, the Salt Range's mines and quarries, or the Sambhar, Pachbadada, Bharatpur, and Sultanpur salt works. In return for a share of the revenues, the Sikh Rulers, who controlled the mines in what is now Pakistan's Punjab region, leased mining contracts were given to notables. However, mining and transportation challenges hampered the efficiency of the rock salt from the Punjab. The initial supplier for Cis-Sutlej Punjab was Rajputana. Even though the portions worked by the Sikhs in the Khewra and Warcha mines (now in Pakistan) were neither systematic nor organized, traces of their work may still be seen today. The Maharaja of Mandi State exploited the Guma mine and the Drang quarries, pocketing the whole revenue.<sup>8</sup>

#### **Central India and Rajputana**

Before the British seized control of Rajputana, almost every state possessed significant salt industries. In 1870, the British government leased Sambhar Lake. Additionally, the leases of Pachbadra and Didwana were repossessed.<sup>9</sup> Although the Phalodi and Luni tracts had the potential to produce enormous quantities of salt, they were both situated in such remote and inhospitable regions, the former deep in the desert and the latter at the head of the Rann of Kutch that it became increasingly difficult to transport their produce to markets, resulting in their eventual demise and closure. For a substantial distance upstream of its mouth, the river Luni, which starts in the Himalayas and flows southwest to the Rann of Kutch, is basically simply a massive natural salt deposit. The people were dependent on this natural salt. Twelve kilometres to the west of Phalodi lay the Pokharan salt marsh. In 1878, the government leased the Jaipur salt mine Kachor Rewassa, which generated a large amount of salt. In Nuh and Sultanpur, the authorities seized salt producing facilities. The salt industries were also present at Udaipur, Alwar, Bikaner, Bharatpur, Bahawalpur (in Pakistan), Dholpur, Datia, Kishangarh, Rutlam, Indore, Jhallawar, Bhopal, Dewas, Jaora, Gwalior, and Lewra. Hundreds of municipalities have specialized in the manufacturing of salt. The British government made agreements with the leaders of these states to cease salt manufacturing and reduce salt tariffs and transit costs.

#### **Bengal, Bihar and Orrisa**

Historically, portions of the Bengal coast, notably the present-day province of Orissa, were significant salt producing areas. The brine produced by the lixiviation of saline soil was cooked to produce the "Panga" salt. This technique was frequently used along the coast of Orissa, particularly in the towns of Balasore and Cuttack. In southern Bihar, Karkatch salt was made by method of solar evaporation of brine surrounding the Chilka lake. It was claimed that forty thousand people in Bengal, Bihar, and Orissa were engaged in the earth salt industry under the British occupation.<sup>10</sup> Between 1835 and 1836, Bihar's private residents manufactured and sold salt to the government. The public was permitted to produce salt under

<sup>7</sup> Watt, George S. (1908), *The Commercial Products of India*, University of Toronto.

<sup>8</sup> Government of India (1917). Report on the Salt Industry in India, Indian Tariff Board.

<sup>9</sup> Aggarwal, S C (1957). *Pachbadra and Didwana salt sources*. Government of India Press, New Delhi

<sup>10</sup> Pitt, C.H (1932). Report on the possibility of the Manufacture of Salt in Bengal, Bihar and Orissa.

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an excise system in 1847.<sup>11</sup> This method resulted in the production of a vast amount of salt, in excess of the region's requirements. Poor communication acted as a shield for the local economy. It was doomed by the inflow of cheaper Madras and foreign salts that the East-Coast Railway made feasible. Particularly in the Indian state of Bihar, vast quantities of earth salt were manufactured. In the Bihar region of Bhagalpur, salt was produced during the production of saltpetre. During the Muslim period and early British control, salt manufacture was considered a privilege, and its producers, known as "Molungees," were compelled to pay a tax on their goods. However, merchants were not the producers. The market was controlled by a tiny group of monopolists known as Takher-ul-Tejar or Malik-ul-Tejar. According to Hunter's research, the average retail price of a bag of salt in the city of Midnapore was two rupees.

### Bombay

Salt has been produced in the Indian state of Bombay from the beginning of recorded history. During the reign of the Peshwas, and Mohammedan rulers, the privilege of manufacturing and the shipping costs (transit duties) from the site of production created revenue.<sup>17</sup> Due to the hundreds of salt industries that lined the western coast, the Peshwas generated a sizeable revenue. The Peshwas had the veto on whether additional salt works may be established along the Gujarat and Kathiawar coastlines or in the Rann. The privileges of the Peshwas were thereafter passed to the British. The British government gained the Moghulai's portion of the Surat salt works via the 1800 Treaty with the Nawab of Surat, and they also obtained the Peshwas' exclusive claim to the Gujarat salt works by Article 7 of the 1817 Treaty of Bassein.<sup>12</sup> Despite being controlled by the government through the excise system, the manufacture of salt in Bombay was primarily a private enterprise. Bombay's manufacturers were skilled and inventive individuals who had polished their abilities over many years. In the Rann of Kutch, there were salt deposits all along the coastline, and a bustling cottage industry had developed around them.<sup>13</sup> The Rann was also home to a large salt formation. Several huge deposits were discovered beyond the local region of the Rann. Salt production is still permitted in the Kathiawar States, but only under certain rules. Daman and Goa both have salt manufacturing factories. Salt was produced in the majority of Indian states, including Cambay, Janjira, Savantvadi, Phaltan, Patri, Jhinjuvada, Radhanpur, etc. The government had granted the state Chiefs with substantial compensation, equal to roughly one lakh rupees per year, following the conclusion of the works. **Madras**

The salt industry in Madras had a prominent presence since ancient times. Due to Madras' extensive coastline, marine salt was produced from Pundi in the Srikakulam district of Andhra Pradesh to Cochin in the Travancore-Cochin State, around Cape Comorin. In addition, salt was made on the Malabar Coast; but, due to the region's unfavourable temperature, soil, and brine, produced inferior salt, and ultimately the production came to an end in 1824.<sup>14</sup> Historically, Ramnad, Tanjore, Kistna, and Nellore were wetlands where salt was extracted. The populace collected and used this natural resource. Bellary and Kurnool districts of Andhra Pradesh also produced earth salt of a respectable quality, complementing the region's more prevalent sea and swamp salts. In 1802, when the East India Company claimed monopoly over the salt business on the Coromandel Coast, the manufacturing of salt by private persons became subject to government supervision.<sup>15</sup>

The government also controlled a salt monopoly in 1805, requiring salt producers to sell salt to the government at a fixed price. After collecting Excise tax and other payments, this was resold to wholesalers by the government. Before the production season began, producers were told of the Dittam (quantity produced) and the Kudivaram (the price paid). This industrial style is characterized by the phrase "monopoly system." In 1807, this network was enlarged to include the Malabar Coast.<sup>22</sup>

The use of this technology in Madras marked the beginning of the East India Company's attempts to produce money from salt. According to a report produced by the Madras Salt Commission in 1876, the city's salt revenues prior to the establishment of the government monopoly were almost non-existent. In 1808, the Salt Collectors were placed as subordinates to the Board of Revenue. It was illegal to sell salt to non-members of the Government Collectors' monopoly on the commodity. Other Zamindars who

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<sup>11</sup> Hunter W.W. (1872). *Statistical Account of Bengal*. Vol. 3, p. 153 <sup>17</sup>

The Imperial Gazetteer of India (1908). *Bombay City*. pp. 459-64.

<sup>12</sup> Government of India (1924). *The Indian Taxation Enquiry Committee*, Vol. II

<sup>13</sup> Kilby J.S. (1918). *Report on the System of Weighing Salt in Bengal, Madras, Bombay, Sind and Northern India*.

<sup>14</sup> The Imperial Gazetteer of India (1908). *Madras*. pp. 325-26.

<sup>15</sup> Thurston E. (1918). *The Madras Presidency: With Mysore, Coorg and the Associated States*. Cambridge University Press. <sup>22</sup>

Salt Industry of South India (1919). *Journal of the Royal Society of Arts*. 67(3466), pp. 366-367.

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unlawfully made salt on their land or supported others in doing so were subject to harsh punishment. The government set up warehouses around the country so that individuals could get salt at discounted prices. Mr. Plowden was then appointed as Salt Commissioner in Madras Presidency to evaluate the salt, the administration, and the possibilities of changes.

### **Assam**

It is well known that salt is abundant in the Himalayas. However, the Naga-Patkai Mountain and the south bank of the Brahmaputra River are also significant salt-producing regions. Mohong was the most significant area for salt production. According to Sodiyar Bornamoi Buranji Mohong is the Dimasa word for "salt.". Mo signifies "mine," and hong means "to boil" or "to prepare."<sup>16</sup> The ancient Mohong region extended from the Naga state boundary in the Twensang district to the Arunachal Pradesh state boundary in the Tirap and Namsai district. The name Mohong often occurs in medieval chronicles in relation to salt manufacturing. The site of the old Mohong area is the Patkai Range, also called as Sotai Porbat by the local Kachari.<sup>17</sup>

In the medieval times, the management of salt wells was vital. While there is no relevant literature on how the Dimasa administration managed the salt wells, the Ahom chronicles give insight into how the Ahom did so. After gaining control of the salt wells from the Noctes in 1536 CE, King Suhungmung sought to implement a system for salt extraction.<sup>18</sup> The royal family's monthly salt supply was confiscated, and the remaining was taxed and sold on the market. 1819 saw the conquest of Assam by Burmese armies. The British took control of Assam after the Anglo-Burmese War. The British reinstalled Purandar Simha as vassal king in 1833 for an annual tribute of Rs. 50,000. At the time, there were so little resources left in the realm that it was impossible for Purandar to pay the tribute. In response, the King of Mohong imposed an exorbitant tax on the region's salt mines.

The last monarch of the Ahom people, Purandar Simha, abdicated on September 16, 1938, after which the British colonial authorities conquered the state. Borhat, Mohong's principal salt trading center, became deserted and left uncultivated when the Britishers arrived. It is to note that once, the salt trade center provided Rs. 3,000 yearly to the King. Captain Jenkins gave a detailed analysis on the system of salt production and taxation imposed by King Purandar Simha. When King Purandar Simha was ousted, the British East India Company gained control of the Mohong salt mines.<sup>19</sup>

### **Technology in Salt Industry**

Compounds dissolved in sea water or natural brines, such as salt, may only be recovered by a process of gradual evaporation and fractional separation of particles at various concentrations. It is to note that the salt content of most natural brines is identical to that of ocean water. When diluted to the same density as sea water, the chemical makeup of these brines closely resembles that of sea water. Common salt can be produced by a number of methods such as (a) through the solar evaporation of sea water, natural brine from lakes or wells, or brine obtained through lixiviation of salt earth; (b) through the artificial evaporation of brine in open pans using direct fire or steam, or in vacuum evaporators; and (c) through the freezing of sea brine, which results in the separation of salt. Countries in Northern Europe with very cold winters employ this manufacturing method; (d) by mining rock salt using dry mining techniques or in the form of saturated brine by injecting water via tubes buried inside salt deposits. The saturated brine is evaporated in an industrial procedure to remove the salt.<sup>20</sup>

Climate, source location, technical advancement, and other variables all affect the degree to which these strategies are used. Due to the rarity of protracted dry periods in the Western Hemisphere, salt is primarily produced by the dry mining of salt deposits or the artificial evaporation of brine. In tropical countries with lengthy dry seasons, solar evaporation is used for manufacturing. With the exception of the little quantity of rock salt generated in the Mandi mines, the whole production of around 3 million tons is accomplished by solar evaporation because nature has endowed India with a huge coastline and extended periods of dry weather that favour natural evaporation.<sup>21</sup>

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<sup>16</sup> Hamilton, F. (1963). *Account of Assam*. Department of Historical and Antiquarian Studies. Gauhati.

<sup>17</sup> Goswami, S. (1984). The Eastern Nagas and the Salt Trade of Upper Assam. *North East India History Association*, 5<sup>th</sup> Session, Aizawl.

<sup>18</sup> Choudhury, P.C. (1964). *Asom Buranji Sar*. Department of Historical and Antiquarian Studies. Guwahati.

<sup>19</sup> Gohain, U.N. (1999). *Assam under the Ahoms*. United Publishers, Guwahati.

<sup>20</sup> Aggarwal, S. C. (1939). *The Salt Industry in India*. Government of India Press, New Delhi.

<sup>21</sup> Kapilram, Vakil H. (1924). *Salt: Technology and Manufacture of By-Products*, The Times Press.

Mohammedan rulers in pre-British Northern India collected revenue from salt by levying taxes on the privilege of production and transit fees on its conveyance from the point of production to the interior. These tasks had been frequently distributed. In return for a share of the revenues, the Sikh Rulers, who controlled the mines in what is now Pakistan's Punjab region, leased mining contracts to notables. The farmer might sell salt wholesale or retail at any time and for any price at the mines or distant markets.<sup>22</sup> In Bombay during the time of Mohammedan rulers and the Peshwas (Maratha rulers of the Konkan), import taxes on the privilege of production and transit fees on its transportation from the place of manufacture earned revenue. Historically, prior to British administration, some families were awarded hereditary rights to a share of the revenue in return for salt and customs dues collecting services rendered to the Rulers. The Settlement of 1856 stipulated that these "Haks" contained a "cash allowance" and "service compensation."<sup>23</sup>

### **Salt Administration in Colonial Era**

During the tenure of the East India Company, the Board of Revenue was responsible for the Salt Department. In addition to private Inland Bonded warehouses, there were also government depots, storage facilities, and excise golahs.<sup>24</sup> In 1889–90, to combat the prevalent corruption of the time, the administration of Orissa was relocated from Bengal to Madras. In 1898, in response to the increase in illicit salt manufacturing in the coastal districts of Bengal, a separate Salt Department for Bengal was founded, with administrative and preventive personnel. In the salt administration of the British, events included the closure of the Orissa plants and the redelegation of duty for safety measures to the Department of Prevention. Also, in 1901, the Bengal Government assumed control of the Northern India Salt Revenue Department's saltpetre refineries.<sup>25</sup> Until April 1947, the Central Board of Revenue was in charge of the salt golahs in Bengal via the Collector of Customs. However, the Government of Bengal was in charge of the inland bonded warehouses, the control of saltpetre refineries and soda factories, and the remission of duty on salt, including educated salt used for industrial purposes and salt production, via the Collectors of districts and the Commission. The Central Revenues supplied an annual allocation for this purpose to the Bengal Government.<sup>26</sup>

Bihar and Orissa did not have their separate provincial status until 1912. Subsequently, the Bihar Commissioner of Salt and Excise was tasked with directing the preventive efforts in the salinity-prone districts of Cuttack, Puri, and Balasore. Thereafter, officers from Orissa's autonomous government assumed control. Bihar's saltpetre industry was still supervised by the Commissioner of the Northern India Salt Revenue Department.<sup>27</sup>

### **Foreign Salt Imported to India**

Prior to the British's arrival, Bengal's coastline was the site of native salt manufacture. As a consequence of the East India Company, a monopoly system was developed that lasted until 1862, with various modifications. Until 1816, the import of foreign salt was limited. Bengal started getting its first supply of foreign salt in 1818-1819. Not until 1835–1836 did large imports commenced. In 1835–1836, imports only amounted to a dismal 2,84,858 maunds.<sup>28</sup> English manufacturers, ship-owners, and business magnates attempted to persuade the Court of Directors to terminate the East India Company's monopoly on salt trade due to the company's excessively high import tax and punishing bonding regulations. Originally, the average prices at which government organizations sold salt at auction set the rates of customs duties paid on imported salt. The set rate of duty established by the decrees of 1837, however, applied equally to both imported and locally manufactured salt. The elimination of salt tariffs in England in 1825 significantly boosted the salt industry there, resulting in the importation of large quantities of Liverpool salt to Bengal. As a consequence of the entry of foreign salt, the native salt industry gradually declined owing to the higher quality and cheaper cost of imported salt.

<sup>22</sup> Dutt, R. (1903). *Economic History of India: The Victorian Age*, London. pp. 12-22.

<sup>23</sup> Aggarwal, S C (1939). *The Salt Industry in India*. Government of India Press, New Delhi. P.

<sup>24</sup> Plowden, George (1856). Report on the manufacture and sale of and tax upon Salt in British India.

<sup>25</sup> Government of India (1904). Report of the Salt Committee.

<sup>26</sup> Government of India (1916). Report of the Industrial Committee.

<sup>27</sup> Dominican Institute of Anthropological Research (1931), *The Systems and Practice of Salt Administration in India*.

<sup>28</sup> Government of India (1931). Report of Salt Survey Committee

The government withdrew its monopoly in 1863, and from then until 1898, only the Excise rate was applied to local industry. Bengal has depended significantly on imported salt since 1863. In 1851–1852, a total of 31,74,370 maunds of salt was imported. The volume of imports increased gradually. In 1861–

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62, they were 61,28,726; in 1889–90, they were 1,009,616; and in 1911–12, they were 1,348,600.<sup>29</sup> Up to 1950, Bengal imported around 160–165 million maunds. While the same amount of salt continues to be imported from India (mostly from the state of Saurashtra), all imports of salt from other nations have been prohibited.<sup>30</sup>

The United Kingdom, Germany (Hamburg and Bremen), Egypt (Port Said), - Spain (Torrevieja on the coast of Valencia), Italian East Africa (Massowah, Assab) on the Red Sea, and Romania all supplied salt to India prior to the passage of the Additional Import Duty Act in 1931. The whole supply was divided equally between Bangladesh and Myanmar. Bengal and Burma also obtained salt from other Indian cities, notably Karachi (now in Pakistan), Bombay, Madras, and the Kathiawar States. Very little foreign salt was brought into the nation from other places. Around 1935, Bengal was dependent on salt imports from just three nations: Germany (Hamburg), Aden, and India. The ports on the Red Sea (Massowah and Assab) as well as those in Europe and Spain had almost stopped receiving goods. Since the creation of huge salt plants in Saurashtra, all of Calcutta's salt has been produced in India, removing the need for imports from neighbouring countries or the port of Aden.<sup>31</sup> Table 1.1 represents the import of foreign salts in Indian market and it shows that the foreign salts continue to flood the Indian market and thereby destroying the Indian salt industry

S.no.	Name of the Country	1931-32	1932-33	1933-34	1934-35
01	Liverpool	5,38,655	6,45,068	19	16
02	Hamburg	3,10,010	7,56,696	10,50,263	9,35,360
03	Spain	-	5,64,165	-	-
04	Aden	83,22,781	79,11,327	76,83,657	72,51,657
05	United Kingdom	1,43,937	17,892	4,063	5,368
06	Germany	3,81,351	8,53,009	4,78,549	7,11,831

Source: Aggarwal, S. C. (1939). *The Salt Industry in India*. Government of India Press, New Delhi, p.634  
**Salt Industries that were closed**

Many salt manufacturing industries in India had to face the decline in production of the output due to the repressive British policies which eventually led to the closure of such industries. The British acquired control of the Nawab's "Sultanpur Salt Works" in the Gurgaon and Rohtak region of Punjab during the uprising of 1857. After the British conquest, production increased, but the British administration was only interested with collecting excise tax and cess. After 1885, however, this started to decline due to the negative effects of cess on this salt plant. From roughly 1920-1921, production continued to decline, reaching a record low of 30,000 maunds per year in 1922-1923. A new team was given authorization to attempt to resume production, but their efforts finally failed, and the factory was closed on April 22, 1935.

Nuh Salt Work, like the Sultanpur salt work was also shut down by British administration. In this location, the "Agrees" were responsible for the production of 'kharee' salt. Historically, the zamindars were monetarily rewarded for the right of utilizing their water and land to manufacture salt. However, the manufactured salt was of poor quality and needed further processing using imported components before it could be marketed. In addition, the works were placed around 60 kilometres (40 miles) from the railroad station in Mathura. It had weak train connections. There were no markets or distribution centers outside of Hathras. The introduction of cheaper and higher-quality Indian Konkan salt harmed the

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<sup>29</sup> Government of India (1931). Report of Salt Survey Committee

<sup>30</sup> Aggarwal, S C (1957). *Pachbadra and Didwana salt sources*. Government of India Press, New Delhi

<sup>31</sup> Aggarwal, S. C. (1939). *The Salt Industry in India*. Government of India Press, New Delhi

xports from Nuh. The manufacturing license for the factory was cancelled, and production finally came to an end.<sup>32</sup>

### Salt Satyagraha and the Gandhi-Irwin Pact

On the issue of the Salt Tax by the British Colonial Government, Civil Disobedience Movement was launched by the Indian National Congress. On March 12, 1930, Mahatma Gandhi led 78 committed Satyagrahis on a march to break the salt legislation and start the Salt Satyagraha. Two Muslims and one Christian were the only non-Hindus among the Satyagrahis.<sup>40</sup> A number of state leaders in India, like

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Rani Gaidilie, Sarojni Naidu, K. Kelappan, C. Rajagopalachari, etc., contributed largely to the success of the campaign. The success of the Salt Satyagraha may be traced to the extensive participation of both men and women in the movement. Two platoons of the Garhwali soldiers decided not to fire on the peaceful protesters. Citizens were exposed to rioting in Bombay, arbitrary police beatings in Madras, and punitive police operations in Bengal that violated the dignity of women notwithstanding the government's accomplishments.<sup>33</sup> After the failure of the First Round Table Conference in January 1931, when all the principal leaders were freed from jail, the government initiated the negotiations in an attempt to establish a compromise. The Viceroy, Tej Bahadur Sapru, and M.R. Jeyakar mediated a peace deal between the British administration and the congress. This dialogue resulted in the so-called Delhi Pact, also known as the Gandhi-Irwin Pact.<sup>34</sup>

The Gandhi- Irwin pact is widely understood as the settlement in which the salt law was taken back by the government, however, the government through the Delhi settlement did not abolish the salt tax but gave certain concessions for the sale and manufacture of the salt.<sup>35</sup> C. Rajagoplachari drew the government's attention to the uncertainty that Clause 20 of the Gandhi-Irwin pact created among the people regarding the salt concession in various districts.<sup>44</sup> The government claimed that clause 20 was introduced to benefit the underprivileged. The poors in coastal areas were permitted to gather and manufacture sea salt for personal consumption and local trade in their respective village. However, they were forbidden to sell salt outside the villages. The manufacture of salt was for the exclusive use of the villagers and was not to be sold to intermediaries or shared with others. People in the community who want to sell salt outside the village should carry it on foot and not on carts. The concessions were to be cancelled if a government official found that more salt was produced than was required for the village.<sup>36</sup> The contradictions in the clause led to the withdrawal of the concession in salt law in two districts namely Tinnevelly and Tanjore district of Tamil Nadu.<sup>37</sup>

Another shortcoming of the Delhi Pact was that Mahatma Gandhi wanted salt-producing areas' poor villagers to be permitted to produce and sell their own salt without restriction in their own communities. As a consequence, some individuals began mass-producing salt without regard for its quality. Due to salt's direct effect on human health, the government placed significant emphasis on the quality of salt produced by unlicensed businesses. As a result, in the Press Note dated 23-4-1948 liberalizing the Gandhi-Irwin Pact, the Indian government declared that "although the excellent quality of salt produced by large-scale industries would automatically establish a standard..." Despite this provision in the Press Note, the quality of this production left much to be desired, primarily owing to the impossibility of implementing adequate quality control due to a lack of staff.<sup>38</sup>

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<sup>32</sup> Government of India (1911). *Records of the Delhi Residency and Revenue*. Ministry of Culture. p.107 <sup>40</sup>

Sarkar, Sumit (1983). *Modern India, 1885-1947*. Macmillan Publication. P.

<sup>33</sup> M. Siddharth (2018). An Analysis of the Civil Disobedience Movement, *International Journal of Social Science and Economic Research*, 03(12), 715-7172

<sup>34</sup> Government of India (1931). The Hindustan Times, Delhi, 25<sup>th</sup> May 1931, Home Political No. 33/XV, The National Archives of India.

<sup>35</sup> Government of India (1931). History of the Freedom Movement. Bundle No. 65, p.382 The National Archives of India. <sup>44</sup>  
Government of India (1931). Letters of C. Rajagoplachari, Gandhi Ashram, Thiruchencode to H.W. Emerson, Secretary to the Government of India, 1<sup>st</sup> September 1931. Home Political No. 33/XV, The National Archives of India

<sup>36</sup> Government of India (1931). Letters from H.W. Emerson, to C. Rajagoplachari, Gandhi Ashram, Thiruchencode, 9<sup>th</sup> September 1931. Home Political No. 33/XV. The National Archives of India.

<sup>37</sup> Government of India (1932). Letter from Office of the Collector of Salt Revenue, to the Inspector of Salt Revenue, Tuticorin Circle, Tuticorin dt.24th October,1932. The National Archives of India.

<sup>38</sup> Aggarwal, S.C. (1937). *The Salt Industry in India*. Ministry of Production. Government of India. p.373

## CONCLUSION

The Indian Salt Industry represented a niche industry which was capable of meeting the requirements of the local populations. The industrialisation of the salt industry was largely on the small scale. With the advent of the British, the nature of the industry started to change with it being developed from small to medium and large scale in some parts of the country. However, this was done with the ulterior motives of the British to supply the good quality of Indian salt esp. the Bengal and Orissa Salt to their own country. Later the introduction of the Salt Tax gradually led to the demise of the once robust indigenous salt industries as the country was flooded with imported British salt from Cheshire which was of lower quality than the salt produced in India. The reclamation of the government by which it took over the monopoly of the Orrisa Salt and Bengal Salt also led to their demise. Various centres of production such as in Nuh and in Sultanpur were closed. The overall production of the Indian salt industries started to

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decline because of the repressive British policies. The resistance to these legislations were met by the leaders and public alike who peacefully agitated against the repeal of the salt law. The Gandhi- Irwin Pact settled the agitation which was started in the form of Civil Disobedience movement but it was more of a way of temporary solution rather than a lasting one. The Pact gave certain concessions in the salt manufacturing instead of the totally abandoning the salt legislation. This could also be attributed to the failure of Gandhi to bring a complete roll back of the law instead of agreeing to certain concessions given by the government. Overall, the advent of British and their monopoly over the salt producing centres in different parts of India led to the downfall of the Salt Industry in India.

## Appendix 1

### Map of Salt Industry of India



Source: Aggarwal, S. C. (1939). The Salt Industry in India. Government of India Press, New Delhi, p. xxii

## Appendix 2

### Chronology of events

1756: East India Company defeated the Nawab of Bengal and acquired land in and around Bengal province which had salt works.

1765: Robert Clive established the “Exclusive Company” which was a private company in which had a complete monopoly to make profit on salt. For the first time Salt started to be significantly taxed.

1770: Famine hits Bengal, but the EIC keeps collecting a high tax on salt. Supply of Salt was also disrupted.

1772: Warren Hastings took over the affairs of the company and introduced new system of administration of salt.

1780: Warren Hastings brought the whole process of salt manufacture and taxation under British government control. This process lasted until India’s Independence.

1781-82: System of Agent who was a government officer was introduced. During this period the salt revenue was Rs 2,960, 130.

1784- 85: Revenue increased to Rs 6,257,470. Company became largely dependent on its income from salt.

1788: Lord Cornwallis took the charge of the Company and introduced the system of selling the salt to wholesalers by auction. The tax was hugely increased to Rs 3.25 a maund.

1788- 1879: The tax remained high at extraordinary levels.

1882: Salt Act was passed which introduced lot of penalties and incremental tax on salt.

1882- 1930: The British Colonial Government through the Salt Act continued to protect its indigenous salt industry of Cheshire by forcing Indians to purchase imported salt.

1930: Launch of Salt Satyagraha and Civil Disobedience Movement.

1931: Gandhi- Irwin Pact. Some Concessions were given in the Salt Act.

### Appendix 3

#### Average wholesale price of salt per 100 maunds (in Calcutta)

Year	Price (in rupees)
1911	68
1912	66
1913	62
1914	55
1915	110
1916	146
1917	274
1918	187
1919	172
1920	130
1921	113
1922	100
1923	80
1924	79
1925	58
1926	68
1927	104
1928	88
1929	68
1930	48
1931	56
1932	64
1933	40
1934	50
1935	51
1936	54
1937	63

Source: Aggarwal, S. C. (1939). The Salt Industry in India. Government of India Press, New Delhi, pp 247- 248