

Gujju Nagamma Vs. the Secretary of State for India in Council Represented by the Collector of Vizagapatam and ors.

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Court : Chennai

Decided On : Nov-29-1921

Reported in : AIR1922Mad106; 66Ind.Cas.356; (1922)42MLJ318

Appellant : Gujju Nagamma

Respondent : The Secretary of State for India in Council Represented by the Collector of Vizagapatam and ors.

Judgement :

1. We are of opinion that Section 11 of the Salt Act applies to transfers by way of mortgage and is not limited to absolute transfers. The word ' transfer ' is general, and there is nothing in the section to limit it to absolute transfers of the entire interest of the licensee. The fact that, as between the licensee and his transferees, Section 12 protects the interests of a person who may have an interest in or lien upon such license or salt works does not affect the question as to the position between the transferees and the Commissioner.
2. The rules under the Salt Act framed under Section 11 prohibit the licensee on pain of termination of the lease from assigning, under letting or parting with possession without the permission of the Commissioner; and the licenses contain these terms. The whole policy of the Act is to give the Commissioner control as to the person who is to acquire an interest.
3. We are of opinion that the mortgage of the salt pan without the leave of the Commissioner is of no effect against him, and that the suit was rightly dismissed so far as he is concerned.
4. The Second Appeal fails and is dismissed with costs of the 1st Respondent.