

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	/ 382	Press Mis.
31-33 Dated	2-9-	19/870

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
2nd September 1870.*

Read the following papers :—

No. 31. Proceedings of the Board of Revenue, dated 9th June 1870.

Read the following letter from the Collector of Sea Customs, Madras, to the Acting Secretary to the Board of Revenue, dated 1st June 1870, No. 461.

BOARD'S Order of the 31st ultimo on Order of the Madras Government, No. 763, of the 23rd May 1870.

2. I have the honour to report that *all* spirits in cask are gauged and tested to ascertain their strength, which is constantly very much over-proof, and pay increased duty accordingly.

3. All wines in cask are, as a rule, gauged, the exceptions being in the cases of small quantities for private parties and messes, when the average contents are taken. The quality of the contents of a cask is ascertained during the process of gauging.

4. Cases of wines in bottles are always examined, with hardly any exception.

5. In regard to the difficulties pointed in paragraph 3 of the letter of May 12th, 1870, from the Pondicherry Chamber of Commerce, I can but say that some exist only in the imagination of the Chamber, the others can be easily avoided, or are of no consequence—

(1.) Casks are not pierced at the bottom or top, the auger is inserted close to the bung in the bulge of the cask.

(2.) Hoops do not require to be removed, as there are always spaces left between them.

(3.) If casks are enveloped with straw-cords and gunny, the gauger need only rip a seam of the gunny for a few inches, insert the auger between the straw-cords, gauge, knock in a spill of wood, and stitch up the gunny with a packing needle; the whole operation taking two or three minutes.

(4.) There is not the slightest necessity for removing the casks from the carts, in fact, they are most conveniently placed in the carts for examination, as if properly packed, the bung would be on the upper side. As regards the exposure, the liquor is already travelling in the sun; the short delay at the Sayer Gate cannot cause any deterioration.

6. I should be decidedly opposed to the adoption of the system of check suggested by the Pondicherry Chamber of Commerce in paragraph 8 of their letter above referred to. Verification of goods at Pondicherry cannot ensure the passing of the same goods across the frontier, and those who are disposed to take advantage of the proposed system of check can easily do so.

7. Certain traders continued* for a long time to defraud the revenue by bringing goods to the Custom-house for examination, previously to obtaining the Drawback thereon, and afterwards nominally despatching them to Pondicherry. The goods were examined at the Madras Custom-house, were taken away, and sold in the Town instead of going to Pondicherry.

8. In the same manner casks of claret might be examined as if for despatch, and casks of brandy substituted and packed on carts to cross the frontier.

* Board's Proceedings, No. 8,779, 15th December 1868.

*Proceedings of the Madras Government, Revenue Department,
2nd September 1870.*

This letter will be submitted to Government, with reference to G. O., 23rd May 1870, No. 763. The Board concur in the view of the Collector of Sea Customs.

2. A copy of Board's Proceedings, 20th April 1870, No. 2,575, is herewith submitted. It prescribes that a fair proportion of casks should be examined (paragraph 4), not that every cask without exception should be tested as the Pondicherry Chamber of Commerce complain in paragraph 7 of their letter.

3. The communication from the Collector of Sea Customs is a sufficient answer to the assertion in paragraph 6 of the Chamber's letter that the Board have alleged a practice which does not exist.

No. 32. Extract of a letter from His Excellency the Governor of Pondicherry, to LORD NAPIER, dated Pondicherry, 29th July 1870.

"I AM at last enabled to answer the question which you have obligingly addressed to me, regarding the transmission of wines and spirits from hence.

"2. Our President of the Chamber of Commerce has gathered information from the merchants, and I have conferred with him upon the subject.

"3. The best means would be that the English Custom-house should entertain at Pondicherry an office, or at least an agency of examination which should levy the duties, deliver the certificates, and place the mark of the Custom-house upon the packages in such a manner as to cause them to be easily and promptly verified on the frontier. The Custom-house officers at the frontier would then only have to verify the number of packages, the condition of the Custom-house Seals, etc. The necessity of passing through this office should be optional; but measures for a strict search should be maintained at the frontier, in order to meet the case of those who had not submitted to the investigations of the office.

"2ndly.—Should a fixed agency not be maintained, would it not be possible for the examinations and verifications to be carried by an agent who should come to Pondicherry once or twice a-week on fixed days, and whose business should be that of examining, verifying, and watching the re-packing of the goods, as well as that of sealing and affixing the Custom-house mark? On the frontier the Custom-house would verify the packages, and would exercise, in case of suspicion, that right of which it cannot be deprived, to prescribe the unpacking of the goods, etc.

"4. This right, which certainly belongs to the Custom-house authorities, is not denied by the Commerce of Pondicherry, which merely requests that it may be made use of only in case of necessity, and not as a vexatious or embarrassing measure.

"5. By 'case of necessity' is meant a cause of suspicion.

"6. The Collector of Cuddalore was desirous of unpacking at the frontier all liquids which were being transmitted to the British Territory.

"7. It is to be remarked that the exemption is only sought in the case of barrels. Everything in cases and in bottles can undergo the process of unpacking without endangering the merchandize.

*Proceedings of the Madras Government, Revenue Department,
2nd September 1870.*

"8. In short, we are willing to allow of all verifications made at Pondicherry before the expedition of the goods, and also of verifications made on the frontier in case of legitimate suspicion. How can good faith go further? We only ask that which is granted in Europe. The option of having the goods sealed, with the permission of a free circulation, except, of course, in the case of suspicion.

"9. Between Pondicherry and the frontier fraud would be impossible, unless the Seals were counterfeited, which would be a grave offence. To counteract this the hour of departure from the Town should be indicated in writing. Were the days of departure fixed for all, it would be necessary to have two days a-week, as the means of transport are not easily obtained at any precise time. There would be no obstacle made on one part as to the barrels, which were sealed at Pondicherry, being conveyed by English agents."

No. 33. ORDER THEREON, 2nd September 1870, No. 1,382.

Separate Revenue, No. 2.

Customs.

It appears from the second paper above recorded that the French Government is most desirous that an English Custom-house Agent should

proceed to Pondicherry twice a-week, to see the goods destined for British Territory opened and examined, that the goods should be sealed with the English Custom-house Seal, and forwarded on fixed days to the English frontier when, in cases of suspicion, they might be examined again.

2. The Right Honourable the Governor in Council resolves to refer this proposal for the opinion of the Board of Revenue after communication with the Collector of South Arcot and the Collector of Sea Customs. The additional expense involved by the proposed arrangement should be reported.

(True Extract.)

Under-Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

Memo. for Orders
on No 1522 + 1741

1. At the beginning of the present year Mr. Gribble, Asst. Collector in charge of the Layer Dept., South Arcot, published in the 'Moniteur' of Pondicherry a Notification stating that the contents of casks of liquor exported by land from Pondicherry would be verified on the frontier, and inviting the merchants of Pondicherry to be present during the examination.

2. This Notification called down a remonstrance from the French Chamber of

The security of our Customs Revenue renders it essentially necessary that liquor ⁱⁿ exported from Pondicherry should be examined - and as a matter of fact, liquor imported into Madras is examined. I will merely inform Monsieur Benet that the rule applied at Madras to British equally in the Foreign Importation of Liquor must be followed at Pondicherry that the French

GOVT. OF 1870

REVENUE.

THE BOARD OF REVENUE.

Dated September, 2nd.

Recd.

Recd.

O. O. 2nd September 1870, No. 1, 382.

SEPTEMBER.

105, 31-83.

For goods destined for British Territory - Proposal of the French Government regarding their examination, referred to the Board of Revenue for report in communication with the Directors of Sea Customs and South Arcot.

of Commerce who objected to the examination of the casks on the ground that opening, unpacking, and placing them in the "infected mud" would damage the contents. The Governor of Pondicherry forwarded the remonstrance to the collector of South Arcot.

3. Mr. Reade, in writing to Mr. Gribble, expressed himself in favor of cancelling the obnoxious Notification but on receiving Mr. Gribble's earnest remonstrance, he referred the question for the orders of the Board.

4. The Board considered that

Chamber have partly mis- & be hindered the process - and that they can send them on Agents if they please, to be present while the liquor is examined.

The hospital to send one officer to examine the liquor in their presence is, of course, at the discretion.

L. D. S.

A. A.

Liquor exported from Pondicherry into British Territory should be of course referred to the

same scrutiny as liquor imported into British Territory. Though a British Port & even more as the people at Pondicherry seem to be expert and persevering smugglers. I would not give up gauging & examining the casks. But I think it might be possible to make the examination at Pondicherry & seal or shew the casks as goods in transit - Europe are sealed & sealed I would like to have this question discussed in Council.

N.
In conformity with the decision of Council on the 8th instant I have written privately to the Gov. of Pondicherry to ask him to state distinctly

that the substance of the Notification was unobjectionable and, even necessary, although its publication in a foreign official Gazette was unnecessary. They ordered the collector to see that all possible delay and inconvenience was obviated.

5. The French Chamber then made a second remonstrance which was forwarded by H. E. M. Montemps to the Government who terms the proceedings of the Board "draconian measures equivalent to a prohibition of the trade of Pondicherry." The

to the Board, to whom
the Govt forwarded M. Bon-
temp's letter for report, re-
ferred it to Mr. Hunter Blair,
the Collector of Sea Customs,
who shows that most if not
all the complaints of the
French Chamber are ill-
founded. Subjoined is
a statement shewing the
objections taken by the
French Chamber to the
examination of the
casks as conducted
at present, to-
gether with Mr.
Blair's answer to the

what are the precautions
which the French
authorities would
sanction to prevent
fraud & smuggling of
this gov^t agent to the
examination of wine
liquors at Pondicherry
which are destined for
consumption in our
territory. N.

July 10th 1870

Complaint of French Chamber.

(1) It is impossible to follow the
plan indicated by the Board of Rev;
to bore a gimlet-hole and plug it.
The bottoms of the casks are either
double or coated with a composition,
they cannot therefore be pierced.
The casks are often girdled; a hole
cannot in such cases be bored
without removing a portion of the
hoops which serve to protect the
cask from injury and theft. The
casks, whether girdled or not, are
enveloped with cords of straw and
packed in gunny cloth; it will then
be necessary to unrip this cloth
to remove the cords of straw, and then
the whole must be done up again.
The proposal of the Board to make
the verification on the cart is not
practicable. A cart carries two
casks; there is no room to move
them. It will then be necessary
to put the casks on the ground,
to unpack them in the sun, to
make the verification, & to reload
the casks.

the same.

Reply of Mr. Hunter Blair.

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at the bottom or top, the
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There is not the slightest
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Carts

carts for examination, as if properly packed, the bung would be on the upper side. As regards the exposure the liquor is already travelling in the sun, the short delay at the Lays Gate, cannot cause any deterioration.

Complaint of French Chamber

(2) It is a matter of public notoriety that the Custom Office at Madras confines itself to ascertaining the nature of the goods by means of the Invoices which accompany the Declarations. A verification is only made from time to time.

(3) If the British Govt maintain the rule in all its rigor, the Chamber requests again that the verification of consignments may be made at Pondicherry itself by an agent of the British Custom House, who might be called in for this purpose, or who might

Reply of Mr. Hunter Blair.

All spirits in casks are gauged and tested, to ascertain their strength, which is constantly very much over proof, & pay increased duty accordingly.

All wines in cask are as a rule gauged, the exception being in the cases of small quantities for private parties, & cases where the average contents are taken. The quality of the contents of a cask is ascertained during the process of gauging.

I should be decidedly opposed to the adoption of the system of check suggested by the Pondicherry Chamber of Commerce in para 8 of their letter above referred to.

6
might come twice a week on appointed days to make the verification of consignments. The British fisc will thus be protected against all fraud, and French trade will not suffer thereby.

to - Verification of goods at Pondicherry cannot ensure the passing of the same goods across the frontier and those who are disposed to take advantage of the proposed system of check can easily do so.

7. The Chamber ask for a return to the old order of things under which the prerogative of verification was only occasionally exercised by the Custom House Officers. But Mr. Gribble is of opinion that this system produced great loss of revenue, as the French merchants exported a large quantity of brandy which was manifested for as Claret, and he justifies his

his opinion by shewing
that although a great
deal of brandy has been
imported into Pondicherry,
Comparatively very little
has been openly exported.

8. It is submitted
that this statement of Mr.
Gribble's may be brought
to the notice of the Governor
of Pondicherry and that
he may be informed
that the Government
feel compelled to autho-
-rize the verification
of each cask, but that
the French Chamber
of Commerce have
apparently

1
apparently overrated
the attendant inconve-
-nience to exporters, and
that the process of exam-
-ination shall in no case
be more stringent than
that which is employed
at the Madras Customs
House in regard to the
goods of British mer-
-chants.

W.

Spence

Memorandum
for the consideration of
the Committee on
the subject of
the proposed
amendment to the
Act of 1846
relating to the
importation of
liquor into
the Territory of
New Mexico.

Memorandum of Li-
quor imported from
British Territory
from Porto Rico.

1727
Cane

Memorandum.

It was agreed in Council that I should write
privately to the Gov. of Madagascary to ask him
to explain more distinctly what were the
provisions which he proposed for the protection
of British Custom House interests under the
system advocated by him of examining
merchandise at Pondicherry destined for
our territory.

The accompanying letter is Mr. Bontemps
reply.

It will be seen that the French Governor
suggests that an English Custom House agent
should be sent in to Pondicherry twice a
week to see the goods destined for our
territory opened & examined; that the
goods should be sealed or stamped with
the English Custom House seal and
forwarded on paid duty to the English
Frontier where in case of suspicion
they might be examined again. This
system is particularly denied by the
French Governor with reference to barrels
of liquor - but I presume he would like

to see it extended to all goods - especially
to those which are liable to damage by being
opened on the high roads & a place where
there is no proper shelter & insufficient
staff of custom house officers.

It appears to me that the system proposed
is really the proper system for our commercial
intercourse with Pondicherry - the system
which in a similar case would be established
in Europe.

I would refer it to the Director of Sea
Customs & to the Director of Port & South
Africa for report with the exception of
the desire of govt. to have it tried.
N.P.

I would refer the matter to
the H^h of Port for early report
after communication with
the Chief of Customs (see Customs)
& S. Africa - in short business. It
pressing any risk for now.

The arrangement will
keep the sanction of the Supreme

9
put on it will involve additional
expenses.

J. P. S.

A. A.

10 5
No 1302

Recd no 1741

2nd Sept 1807

also - Extract from Letter (Translation) as
headed dated 29 July (Ct 26.5.5)
only up to the blue
pencil line

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second paper above
referred that the French
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they might be examined

Memorandum

Concluding
Robert's Extracts
Secretary -

Copy of the
letter from the
French Govt

again.

The Rt Hon^{ble} the
Gov^r in Council resolves
to refer this proposal for
the opinion of the Board
of Revenue after com-
munication with the
Col^l of S. A & the Col^l
of Sea Customs. The additional
expense involved by the
proposed arrangements
should be reported

JWS

List from order

JWS

14 To the Hon^{ble} Secy^r

2/2
/ 10