

Political (1895) Department.

ORDINARY MS.

G.O., No. 566

Dated 24th Aug. 1895.

INDEXED.

[Despatch Abstract.]

EXPORT DUTY

Communicating to the Resident in Travancore and Cochin, Proceedings Revenue Department, addressing the Government of India on the subject of the proposed abolition of -- on rice and paddy exported by land from the Travancore State.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
	1621		95-				

31st JULY 1895, No. 495, REVENUE.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—again the following G.O., dated 5th March 1895, Mis. No. 972, Revenue :—

Read—endorsement of the Political Department, dated 2nd March 1895, No. 434, transferring to the Revenue Department, the following telegram from the Resident in Travancore and Cochin, to the Chief Secretary to Government, dated 28th February 1895 :—

Under article 12 Travancore Interportal Convention 1st June 1865 Travancore must adopt the British Indian tariff valuation for exports as well as imports and under article 8 of same convention Travancore must levy export duties on all ordinary exports but at not more than Rs. 5 per cent. Durbar contemplate abolition export duty on rice and paddy. Has Government any objection to their doing so and waiving enforcement articles convention. Annual valuation of grain exported under a lakh. Recommend compliance if permissible.

Order—dated 5th March 1895, Mis. No. 972, Revenue.

His Excellency the Governor in Council must express his surprise that the Resident should have reported a matter so important as this by telegraph. Mr. Grigg is requested to submit a full report upon the subject setting forth the reasons which the Durbar may assign for proposing to depart from the terms of the Convention of 1865.

2. As at present advised the Government strongly deprecates the proposed change, which could only be introduced with the sanction of the Government of India.

(True Extract.)

(Signed) E. GIBSON,
Secretary to Government.

To the Resident in Travancore and Cochin,
through the Political Department.

READ—also endorsement of the Political Department, dated 7th June 1895, No. 1214, transferring to the Revenue Department, the following letter from J. D. REES, Esq., C.I.E., Resident in Travancore and Cochin, to the Chief Secretary to Government, Ootacamund, dated Trivandrum, 1st June 1895, Ref. on C. No. 1658 :—

I have the honour to submit the report called for in G.O., dated 5th March 1895, No. 972, Revenue, forwarded with your endorsement No. 506 of the 8th idem.

2. The proposal of the Travancore Sirkar, to which reference is made in this Government Order, is to abolish the duties levied on rice and paddy exported from the State. These articles form the staple food of the people, but paddy is not grown in sufficient quantity even for home consumption. Such paddy, therefore, as is shown in the Travancore trade returns as exported, hardly represents any trade with foreign markets, but rather the produce taken from one part of the country to another through intervening British or Cochin territory. There is no export of the articles by sea. The following statement shows the quantity of the exports across the frontier inland chowkeys during the last five years and the duty realized thereon:—

Years.	Paddy.		Rice.		Total duty.
	Quantity in	Duty realized.	Quantity in	Duty realized.	
	CWT.	RS.	CWT.	RS.	RS.
1065	22,536	2,225	1,077	182	2,407
1066	34,079	3,469	1,123	195	3,664
1067	36,622	3,728	1,096	182	3,910
1068	21,633	2,210	1,400	223	2,433
1069	25,416	2,587	1,309	214	2,801

3. It will be seen from the above statement that the highest duty levied in any of the five years was Rs. 3,910. Insignificant as this amount is, the impediment to the free transit of the produce, and the annoyance and hardship to the ryots living on the frontiers are represented to be, and no doubt must be, great. For instance, a man of Shencottah near Tenkasi who owns lands in Pulyara cannot carry their produce to his house without being subjected to duty at the frontier chowkey. It was, on consideration of objections such as these, that the Sirkar proposed the abolition of these duties.

4. I invited the views of the Cochin Durbar on the above proposal with reference to the existing engagements of that State with regard to customs, and its probable effect on the interests of the State. In reply the Dewan informs me that the abolition of the Travancore export duties on paddy and rice will not in any way affect the customs revenue of Cochin.

5. Under article 7 of the notification, dated 11th May 1865, issued by the Resident under the Interportal Trade Convention and published on page 1055 of the *Fort St. George Gazette*, Part I, of the 23rd May 1865, the Cochin State adopts the British Indian rates of export duty on articles exported to foreign countries, pepper excepted. Under article 8, however, the Travancore State was allowed to continue to levy export duties on all ordinary exports, and so far as I am aware, no notification has yet been issued by the Madras Government under the Indian Tariff Act declaring either Cochin or Travancore to be foreign territory within the meaning of that Act. The result is that paddy or rice exported from Travancore either to foreign countries or to British India has to pay export duties, whereas exports of rice or paddy from British India or Cochin have to pay such duties only if exported to foreign countries, and not if destined to any place within the Indian Empire including Travancore.

6. If the present proposal of the Travancore Durbar be sanctioned, and the duty on exports of rice and paddy to foreign countries abolished, there is the possible risk of rice and paddy hitherto exported from Cochin and British India to foreign countries being diverted into Travancore ports, although the Dewan assures me that no trader in rice or paddy will find it worth his while to import the grain into Travancore for the purpose of saving the export duty, which is indeed a trifle compared with the charges of transit he will have to undergo. This objection, however, does not hold in the case of exports by inland chowkeys, and I would therefore recommend that so far as these are concerned the proposal may be allowed, especially as the levy of duties on exports by land is a hardship to the ryots and an obstruction to trade. Financially the effect of adopting the proposal made in this modified form should be the same, as there are no exports of paddy and rice from the Travancore ports, and perhaps there would be no objection to so insignificant a departure from the terms of the convention.

ORDER—dated 31st July 1895, No. 495, Revenue.

Separate Revenue No. 85.

Ordered that the Government of India be addressed.

(True Extract.)

Secretary to Government.

To the Political Department.
„ the Board of Revenue (Separate Revenue).

Exd. Shaik Karim.

50 Copies.

CURRENT No. 1123

Political Deptt
Govt. of {1895} Madras.

REVENUE.

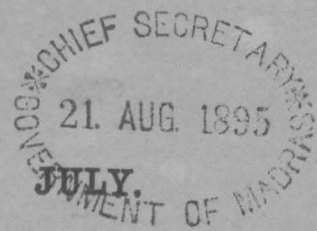
Issued

Recd. 21/8

Encl.

Regd 22/8

G.O., 31st July 1895, No. 495.



Export duty.

Ordered that the Government of India be addressed on the subject of the proposed abolition of — on rice and paddy exported by land from the Travancore State.

WITH ORDER

Order 24 Aug 1895, No 566.
thisCommunicated to the
Resident in Travancore and Cochin.

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Resdnt in Trav.
26/8

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READ AGAIN G.O., No.
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ORDER OF GOVERNMENT

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STATEMENT WITH DITTO.

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