

# MADRAS RECORD OFFICE.

Government of Madras.

*Revenue* DEPARTMENT.

|                                   |                                                                                       |
|-----------------------------------|---------------------------------------------------------------------------------------|
| G.O. No. <i>1234</i>              | <input checked="" type="checkbox"/> Press<br><input type="checkbox"/> <del>Mis.</del> |
| Dated <i>16th September 1859.</i> |                                                                                       |

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,  
from 10th to 16th September 1859.*

No. 35. Read the following Proceedings of the Board of Revenue, dated 22nd July 1859, No. 2884.

Read again Extract Minutes Consultation, dated 25th September 1858, R. D., No. 1307, referring for the Board's early report letters from the Special Agent in South Arcot, on a project framed by the French Government for regulating the manner in which the revised Tariff is to take effect from the 1st October next.

(In Con. 28th December 1858, No. 4344.)

The consideration of the scheme proposed by His Excellency the Governor of Pondicherry, for the future collection of Customs duties on behalf of the British Government, was purposely combined by the Board in their Proceedings of 11th May last, with that of the general trade between our Ports and those of Foreign European and Native States, referred for their report in Extract Minutes Consultation, dated 15th September 1858, in which manner the Board thought their opinion could best be given. Under the orders of Government, dated 3rd June last, R. D., No. 743, the following remarks are now submitted in a separate form.

2. To explain this subject, it is necessary briefly to mention that by a convention between the British and French Governments, certain articles of food, required by the Native population,

\* See C. O. Book Board of Revenue Vol. II, page 15, et seq.

† E. M. C. 15th November 1856, No. 1222, R. D., in Con. 11th May 1857, No. 4739.  
Board's Proceeding 11th May 1857, No. 1514.  
E. M. C. 16th June 1857, No. 595, R. D., in Con. 6th November 1857, No. 2359.  
R. M. C. 15th August 1857, No. 820, R. D., in Con. 6th November 1857, No. 3317.  
Board's Proceeding 11th June 1858, No. 2037.

have been allowed to pass into the French territory duty free. Certain other goods used also to pass without duty, although articles of commerce, because the Tariffs\* framed for each of the French settlements included only those articles which were exported in large quantities. The object of this arrangement was to diminish inconvenience to traders, but the principle was faulty and was soon found to alter the lines of trade, and injure our own Ports.† It was, therefore, resolved to have one uniform Tariff for the Custom Houses round all the French settlements, and the Sea Custom Tariff was taken for this purpose.

E. M. C. 15th July 1858, No. 971, R. D. in Con. 20th July 1858, No. 3096.  
E. M. C. 17th August 1858, No. 1148, R. D. in Con. 31st August 1858, No. 3725.  
E. M. C. 1st September 1858, No. 1199, R. D. in Con. 2nd September 1858, No. 3936.  
E. M. C. 3rd September 1858, No. 1202, R. D. in Con. 6th September 1858, No. 3979.  
E. M. C. 9th September 1858, No. 1229, R. D. in Con. 18th September 1858, No. 4087.

3. Several articles of trade, which before passed free, thus became liable to duty, and the Governor of Pondicherry addressed Government under an impression that all goods entering the French territory were to pay duty, and that consequently, the former agreement for the free admission of articles of consumption had been departed from. This erroneous view was cleared up, and the Government declared that they awaited a scheme with the Governor of Pondicherry undertook to propose

for levying the Custom duties in a manner convenient to all parties. This scheme reached Government through the Acting Collector, Mr. Taylor, in charge of the Special Agency Department with his letter of 2nd September last, and was forwarded to the Board for consideration with Extract Minutes Consultation recorded at the head of these Proceedings.

*Proceedings of the Madras Government, Revenue Department,  
from 10th to 16th September 1859.*

\* Coffee.  
Ghee.  
Turmeric.  
Tamarind.  
Eloopa seed and oil.  
Garlic.  
Onion.  
Pinnacottay and its oil.  
Chilly.  
Tagary seed.  
Country mustard.

Enclosures one to letter  
of Acting Collector of South  
Arcot, 16th December 1857,  
in Con. 8th January 1858,  
No. 5093.

Board to Government 11th June 1858, No. 2037.  
E. M. C. 15th July 1858, No. 971 R. D. in Con 20th July  
1858, No. 3096.  
Enclosure in from South Arcot, 20th in Con. 26th August  
1858, No. 3838.  
Enclosure in 1st September 1858, No. 1199, R. D. in Con.  
2nd September 1858, No. 3936.

pressed a wish to see the value at which the articles were entered in our Tariff. This information was supplied, and His Excellency observed that he had been obliged to express a conditional acceptance of our offer, because he had first to ascertain how far any of these eleven articles were grown within the French territory, and whether, consequently, the interests of the French producers would be injured by an export Sea Custom duty being levied upon them. The scheme which His Excellency finally proposed, and which the Board now proceed to notice, has been drawn out with special reference to this point.

5. Of the eleven articles specified in the margin of the preceding para. the Pondicherry Government undertake to collect a sea export duty on eight. The three omitted articles are; 1st Eloopa oil and seed; 2d. Pinnacottay and its oil, and 3d. Tagary seed. But the Pondicherry Government go further, and wish the eight articles, marginally enumerated, which have

hitherto paid duty, to be passed free hereafter into the French territory on their engaging to collect the duty for us upon any exportations by sea. Such is the proposition as respects the port of Pondicherry. At the minor ports of Yanam, Karical and Mahé, it will be observed from Mr. Taylor's letter and its enclosure, that the French Government only undertake to levy a sea export duty on a few of the above articles.

6. The first observation which the Board have to offer is, that the scheme has no direct advantage to us, since we must maintain the same Frontier establishments as before to collect duty on the remainder of the trade which passes between our districts and the French territory. If the French Government would undertake to collect sea custom duties for us on all exports and imports (including the produce of the French territory) according to the Madras Tariff, then indeed the present expense of the frontier Chowkies would be saved, and much loss, which we now suffer from the smuggling of Indigo and other articles, could be prevented. But as the French Government have not appeared to think that throwing open the land frontier would compensate their population for the novel burden of sea custom duties, no arrangement of this kind appears feasible, especially now when our rates of duty on imports and exports by sea have been so greatly increased. In making this remark the Board presume that there would be objections to leaving the French authorities to decide which was the produce of the British territory and which of the French, in order that the former only might be subjected to duty on exportation. The same difficulty would be experienced if imports were to be admitted duty free, on a declaration that they were intended for consumption within the French territory.

7. The proposal of the French authorities has, therefore, to be considered on the following two grounds:

1. What is due by us under former conventions, and in the character of friendly allies.

4. During the correspondence which took place regarding the proposed assimilation of the land and Sea Custom Tariffs, it was pointed out to the French Government that the articles\* which would newly become liable to duty on being carried into the French limits were 11 in number, and they were invited to free them from the frontier duty, in order that there might be no impediment to the supply required for local consumption, by undertaking to collect duty for us on any of these articles which should be exported from Pondicherry by Sea. The French authorities already adopted this course in respect to grain and His Excellency Monsieur D'Ubraye accepted, conditionally, the proposition now made to him, but entered in our Tariff. This information

*Proceedings of the Madras Government, Revenue Department,  
from 10th to 16th September 1859.*

II. In giving up a portion of our dues for the benefit and convenience of the inhabitants of the French territory, shall we be abandoning more Revenue, than such an object legitimately calls for?

On the 2nd point Mr. Taylor shews that the direct loss of Revenue, viz., the abandoned duty on articles consumed within the French limits, will not exceed Rupees 5,000, and he is in favor of acceding to the proposed scheme, as an experimental measure which may be terminated after due notice. He further expresses an opinion that a formal convention between the two Governments, such as has been drafted by His Excellency Monsieur D'Ubraye, is not necessary on the occasion.

8. The extent to which our Government is bound to allow articles intended for the consumption of the native population to enter the French limits duty free, is noticed in Extract Minutes Consultation, 29th April 1851, No. 413, and as the scheme now under consideration is founded on an assumed right

to claim exemption from duty for the articles specified in it, the Board deem it advisable to avoid the possibility of future embarrassments by leaving out Gingelly seeds, Gingelly oil and Sugar from Monsieur D'Ubraye's proposed new list. Excepting these articles the Board are of opinion that Monsieur D'Ubraye's proposal may be acceded to, on the condition that either Government may bring it to a termination, after experience of its practical working by giving six months' notice. The Board would suggest a simple agreement being drawn out to this effect, instead of the elaborate convention proposed by Monsieur D'Ubraye, which seems to imply that the sanction of the French Government is necessary to our arrangements for levying customs on the frontiers of our provinces which adjoin their territory. If the Board's suggestion meets approval, the French Government would be enabled, at their option, to collect duty for us on any of the articles mentioned in the margin at their different ports.

Coffee. Country mustard.  
Ghee. Boiled nut.  
Turmeric. Betel nut.  
Tamarind. Cummin seed.  
Garlic. Jaggery.  
Onion. Lamp oil seeds.  
Chillies.

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(A true Extract.)

(Signed) W. HUDLESTON,  
Acting Secretary.

No. 36.

ORDER THEREON, 14th September 1859, No. 1234.

Para. 1. In these Proceedings the Board of Revenue in reply to an order of Government dated September 25th 1858, report on the scheme proposed by His Excellency the Governor of the French Settlements in India, in connection with the revised frontier tariff which came into force on the 1st October 1858.

2. Under Act VI. of 1844 all commodities exported by land from the Madras territory are liable to the same duties as if exported by sea. But in order to avoid unnecessary interference with local consumption, all articles passing by land into the French settlements on the coast have been exempted from duty, except a few kinds which are largely exported from India. The revision of the Tariff having newly subjected eleven articles to the levy of frontier duty, the Governor of Pondicherry was invited to free them in the manner pursued with respect to grain namely by engaging to levy on behalf of the British Government, customs duties at the rates levied at British Indian Ports, when any of these articles were exported by sea.

3. His Excellency agreed to this proposal in respect to eight of the eleven articles, the three excepted articles being those named in the margin; and he has further asked that eight other articles now paying duty should be included in the same arrangement.

1. Eloopa oil and seed. This proposal relates to Pondicherry only; as respects the other settlements His Excellency proposes to collect duty on very few of the dutiable articles.  
2. Pinnacottay and its oil.  
3. Tagary seed.

4. The Board of Revenue justly remark that this partial arrangement would not secure the object intended in the proposal, inasmuch as it would still be necessary to maintain customs estab-

*Proceedings of the Madras Government Revenue Department,  
from 10th to 16th September 1859.*

ishments on the British frontier for the remaining articles not included in it; while it has the disadvantage of withdrawing from the British authorities the control over the collection of British duties. Nevertheless, the Board advocate the acceptance of the proposal, with certain modifications, subject to the condition that it shall be terminable on six months notice. This recommendation is based on the assumption that the French Government claim the exemption of

\* Memo. from Board of Revenue dated August 11th 1859.

articles of food as a right; but the Government cannot discover that any ground exists for such a claim; the supposed convention referred to in some of the papers has in fact no existence.\*

5. The Governor in Council considers the objection stated by the Board of Revenue against the proposal of His Excellency the Governor of the French Settlements to be fully sufficient ground for declining to accept it. But it does not appear to have been observed also that the original proposal to remove the chokies on the frontier, provided the French Government would undertake to collect export duties on behalf of the Madras Government according to the British Indian Tariff, would leave the import trade to the Madras Provinces through the French Settlements entirely free from British duty. This is a still more vital objection to the plan.

6. The Governor in Council requests the Board of Revenue to instruct the Officer in charge of the Special Agent's department to communicate these objections to His Excellency M. D'Ubraye, and to explain that for the reasons above stated this Government are unable to accede to his proposal.

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

No. 2884.

PROCEEDINGS of the BOARD of REVENUE, dated 22d July 1859.

Read again Extract Minutes Consultation, dated 25th September 1858, R. D. No. 1307, referring for the Board's early report letters from the Special Agent in South Arcot, on a project framed by the French Government for regulating the manner in which the revised Tariff is to take effect from the 1st October next.

(In Con. 28th December 1858, No. 4314.)

The consideration of the scheme proposed by His Excellency the Governor of Pondicherry, for the future collection of Customs duties on behalf of the British Government, was purposely combated by the Board in their Proceedings of 11th May last, with that of the general trade between our Ports and those of Foreign European and Native States, referred to in their report in Extract Minutes Consultation, dated 15th September 1858, in which manner the Board thought their opinion could best be given. Under the orders of Government, dated 3d June last, R. D., No. 743, the following remarks are now submitted in a separate form.

2. To explain this subject, it is necessary briefly to mention that by a convention between the British and French Governments, certain articles of food, required by the native population, have been allowed to pass into the French territory duty free. Certain other goods used also to pass without duty, although articles of commerce, because the Tariffs\* framed for each

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of the French settlements included only those

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E. M. C. 9th September 1858, No. 1220, R. D., in Con. 18th September 1858, No. 4087.

Governor of Pondicherry undertook to propose for levying the Custom duties in a manner convenient to all parties. This scheme reached Government through the Acting Collector, Mr. Taylor, in charge of the Special Agency Department with his letter of 2d September last, and was forwarded to the Board for consideration with Extract Minutes Consultation recorded at the head of these Proceedings.

4. During the correspondence which took place regarding the proposed assimilation of the Land and Sea Custom Tariffs, it was pointed out to the French Government that the articles† which

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Turmeric.  
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Blossom seed and oil.  
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5. Of the eleven articles specified in the margin of the preceding para. the Pondicherry Government undertake to collect a sea export duty on eight. The three omitted articles are; 1st Eloopa oil and seed; 2d. Pinnacottay and its oil, and 3d. Tagary seed. But the Pondicherry Government go further, and wish the eight articles, marginally enumerated, which have hitherto paid duty, to be passed free hereafter into the French territory on their engaging to collect the duty for us upon any exportations by sea. Such is the proposition as respects the port of Pondicherry. At the minor ports of Yanam, Karical and Mahé, it will be observed from Mr. Taylor's letter and its enclosure, that the French Government only undertake to levy a sea export duty on a few of the above articles.

6. The first observation which the Board have to offer is, that the scheme has no direct advantage to us, since we must maintain the same Frontier establishments as before to collect duty on the remainder of the trade which passes between our districts and the French territory. If the French Government would undertake to collect sea custom duties for us on all exports and imports (including the produce of the French territory) according to the Madras Tariff, then indeed the present expense of the frontier Chowkies would be saved, and much loss, which we now suffer from the smuggling of Indigo and other articles, could be prevented. But as the French Government have not appeared to think that throwing open the land frontier would compensate their population for the novel burden of sea custom duties, no arrangement of this kind appears feasible, especially now when our rates of duty on imports and exports by sea have been so greatly increased. In making this remark the Board presume that there would be objections to leaving the French authorities to decide which was the produce of the British territory and which of the French, in order that the former only might be subjected to duty on exportation. The same difficulty would be experienced if imports were to be admitted duty free, on a declaration that they were intended for consumption within the French territory.

7. The proposal of the French authorities has, therefore, to be considered on the following two grounds:

I. What is due by us under former conventions, and in the character of friendly allies.

II. In giving up a portion of our dues for the benefit and convenience of the inhabitants of the French territory, shall we be abandoning more Revenue, than such an object legitimately calls for?

On the 2d point Mr. Taylor shows that the direct loss of Revenue, viz. the abandoned duty on articles consumed within the French limits, will not exceed Rupees 5,000, and he is in favor of acceding to the proposed scheme, as an experimental measure which may be terminated after due notice. He further expresses an opinion that a formal convention between the two Governments, such as has been drafted by His Excellency Monsieur D'Ubraye, is not necessary on the occasion.

8. The extent to which our Government is bound to allow articles intended for the consumption of the native population to enter the French limits duty free, is noticed in Extract Minutes Consultation vol. 2 of C. O. Book of Revenue Board, page 15. tion 29th April 1851, No. 413, and as the scheme now under consideration is founded on an assumed right to claim exemption from duty for the articles specified in it, the Board deem it advisable to avoid the possibility of future embarrassments by leaving

grain and His Excellency Monsieur D'Ubraye accepted, conditionally, the proposition now made to him, but expressed a wish to see the value at which the articles were entered in

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(A true Extract.)

To

J. D. BOURDILLON, Esq., Secretary to Government, R. D.

Sub Secretary.

Rev. 1889

Communities Hoping {

Land in many Foreign  
 Enclave settlements in our  
 country, are kind to the same  
 order of things as well as to  
 as them at our work of im-  
 ported or exported goods.

See VI out of  
 1044-

And the spirit of this  
 movement is only to protect  
 our goods & revenues, not  
 to tax our foreign Enclave  
 settlements: & therefore  
 only such articles have been  
 in fact subjected to the duty  
 as were <sup>considerable</sup> ~~important~~ articles.

Revenue 1839-1840  
 of 4.10.100.000

Proceedings of the  
 Board of Revenue

Nov. 28. 1839. 36. 38.  
 " 16. Jan. 1839. 14. 15.  
 " 23. Feb. 1839. 13. 14.  
 " 18. Mar. 1839. 35. 37.  
 " 18. June 1839. 49. 50.  
 " 18. Sept. 1839. 20. 21.  
 " 20. July 1838. 23. 24.  
 " 17. Aug. 1838. 62. 64.  
 " 17. Sept. 1838. 9. 14. 15. 16.  
 " 14. Dec. 1838. 21. 22.  
 " 29. Oct. 1839. 57. 59.

Oct. 27. 1839.  
 Jan. 27. 1839.  
 Mar. 27. 1839.

Copy in a letter to B.  
 of 10. Dec. 1839. 18. 18.

1839-1840. 18. 18. 1839.

1839-1840

36-

1839-1840. 18. 18. 1839.

acknowledging the Board's re-  
 sponse on the revenue proposal  
 by the Board of Revenue for the  
 year of 1839-1840. The  
 Board of Revenue of the  
 Enclave on the basis of the  
 1839-1840 Enclave and  
 suggesting that the revenue  
 of the Enclave proposal may  
 be decided to suit the  
 Board of Revenue.

clerk on behalf of the  
North American Continent

of commerce a few years ago  
the Tariffs of Canada <sup>the frontier of</sup> were revised  
the foreign settlements were revised  
& simplified: & this led to a conference  
with the French Govt. Genl. who  
undertook to prepare a scheme  
concerning all duties for  
largely duty - on this scheme,  
which was referred to them, the H.C.  
of Paris was refused.

3. The revision of the Tariffs  
of export  
brought eleven articles <sup>newly</sup>  
under duty; but at the suggestion  
of Mr. Sartorius then actg. Cll. of  
Paris, it was proposed to the Govt.  
of Prussia to agree to levy the  
duty on them when exported by sea, in  
which case they wd be permitted to  
pass free into Prussia by land,

being the practice followed in the case of grain.  
4. H.C. now agree to the proposal  
as respects eight of the eleven  
articles; but he also asks that  
eight other articles, little being  
done, shd be included in the  
scheme.

321 P. 1. P. 2.

same arrangement.

The above articles & Prussia,  
as to the other Settlements; they wd  
propose to collect duty on a  
few articles.

5. On this proposal the H.C.  
is justly nervous (para 6) that it is  
too far from us, as it will still be  
not by necessity. I maintain  
Cautious relative to the articles;  
it will interfere with the dis-  
advantage of giving up the control  
over the collection of our duties. They  
therefore maintain that the arrangement

21 Aug 1858 - 22 Sept 1858

John in a letter to B  
1300 & Dec 1859 & 1872

35

28 Sept 1858 at 36 @ 38  
18 June 1859 at 14-15  
27 Sept 1858 at 13-14  
18 June 1856 at 35 @ 37  
18 June 1857 at 49-50  
18 Sept at 20-21  
20 July 1858 at 23-24  
17 Aug at 62 @ 64  
17 Sept at 9 @ 11  
14 Dec at 21-22  
29 Sept 1851 at 57 @ 59

In N. & L. House the revised by re-  
ception of the 3 changes proposed  
to the Committee in six months, which  
is the recommendation  
on the fact that the French  
claim maintenance as a right. That  
no ground for such a claim appears  
to exist. Several articles proposed  
are amended and largely reduced  
to 7 mms from various land  
in mms, finally 2 mms oil  
revenue.

Aug 12

The objection to the arrangement proposed by the  
Governor of Pondicherry ~~that the frontier~~ ~~and to the~~ ~~and to the~~  
~~has been limited to an agreement~~ ~~is~~ ~~is~~  
is sufficiently obvious. but it does not appear to have been  
observed that the counterproposal of removing our  
wharves on the land frontier of the French settlements  
provided the French Government would undertake to collect  
export duties on our behalf according to our tariff, would

1234

Proceedings of the Madras Government  
Under date the 14<sup>th</sup> September 1859

Read the following paper

Proceedings of the Board of Revenue

Submitting the Board's report  
on the scheme proposed by His Ex-  
cellency the Governor of Pondicherry  
for the future collection of Customs  
duties on behalf of the British  
Govt & suggesting that His Ex-  
cellency's proposal may be  
accepted with certain mod-  
ifications.

(More on 22<sup>nd</sup> July 1858)  
N 2884

LL  
Will

In these proceed-  
ings the Board of Rev.  
in reply to an order of Govt  
dated September 25<sup>th</sup> 1858,  
report on the scheme pro-  
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settlements in India, in  
connection with the re-  
vised frontier tariff  
which came in to force

on the 1<sup>st</sup> October 1858.

2 Under act **VI** of 1844 all commodities exported by land from the Madras Territory are liable to the same duties as if exported by sea. But in order to avoid ~~was~~ unnecessary interference with local consumption, all articles passing by land into the French settlements on the coast have been exempted from <sup>kind</sup> duty, except a few which are ~~articles~~ largely exported from India. The revision of the Tariff having newly subjected eleven articles to the levy of frontier duty, the Governor of Pondicherry was invited to free them in the manner pursued with respect <sup>to</sup> grain, namely

by engaging to levy on behalf of the British Government, customs duties at the rates levied at British Indian Ports, when any of these articles were exported by sea.

3 His Excellency agreed to this proposal in respect <sup>to</sup> eight of the eleven articles, the three

1 Cloves & seed

2 Pimento & seed

3 Tamarind

excepted articles being those named in the <sup>and</sup> margin, he has further asked that eight other articles now paying duty should be included in the same arrangement.

This proposal relates to Pondicherry only, as respects the other settlements His Excellency proposes to collect duty on very few of the dutiable articles.

4 The Board of Revenue has justly remarked that

this partial arrangement  
would not secure the  
object intended <sup>in the proposal,</sup> inasmuch  
as it would be <sup>still</sup> necessary  
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Memorandum from Board of Revenue  
dated Aug 14<sup>th</sup> 1859

articles of food as a  
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claim; the supposed  
convention referred to in  
some of the papers has  
in fact no existence.

5 The Governor in  
Council considers the  
objection stated by the  
Board of Revenue against  
the proposal of His  
Excellency the Governor of  
the French settlement  
to be fully sufficient ground  
for declining to accept it.  
But it does not appear to  
have been observed also  
that the original propos-  
al to remove the duties  
on the frontier, provided  
the French Government  
would undertake to collect  
export duties on behalf  
of the Madras Govt.  
according

according to the British  
Indian Tariff, would  
leave the import trade  
to the Madras Provinces  
through the French  
settlements entire ly free  
from British duty. This  
is a still more vital  
objection to the plan.

The Governor in  
Council requests the  
Board of Revenue to  
instruct the officer in  
charge of the special  
agents department to  
<sup>communicate</sup> ~~communicate~~ these objections  
to His Excellency.  
W. Ollivier <sup>to accept</sup> that for  
the reasons above stated  
the Govt. are unable to  
accede to his proposal.

JA

Copied to the Board.  
Capt.

Rev. Com. 28 Sept/58. 38

Revenue 1859 Dept<sup>o</sup>  
Pro. of Gov<sup>t</sup> 16<sup>th</sup> Sept<sup>r</sup>  
C 12 1234.

Pro. of the Madras Gov<sup>t</sup>  
Dated 14<sup>th</sup> Sept 1859

Pro. of the Bd. of Rev. 8/19: Sept<sup>r</sup>  
1859. No 1726 in Com. 4<sup>th</sup> Octob<sup>r</sup>/59  
N<sup>o</sup> 15886-

No 35+36.

Declining to accede  
to the scheme proposed by H. E.  
the Gov<sup>t</sup> of Pondicherry in connection  
with the revised frontier tariff.