M.R.O. 14—10,000—21-4-22

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 790 Press / Mis.

Bundle no. 37 & 38

Dated 15 — 6 — 1859.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, from 11th to 17th June 1859.

No. 37. Read the following letter from W. HUDLESTON, Esq., Sub-Secretary to the Board of Revenue; to J. D. BOURDILLON, Esq., Secretary to Government, R. D. dated; 13th May 1859, No. 1716.

In Con. 26th May 1858, No. 1682.

With reference to Extract Minutes Consultation, dated 20th April 1858, R. D., No. 507, I am directed by the Board of Revenue to submit the accompanying Statement of the value of smuggled goods seized during the three Fusly years 1265, 1266 and 1267, amounting in all to Rupees 9,044½*, or a yearly average of Rupees 3,014.

	Rupees.
* *Salt*	5,176
Other Goods	4,868

2. The insignificant amount of these confiscations testifies to the insufficiency of the existing check on smuggling, and somewhat of this may be attributed to a laxity in the administration of the existing Laws resulting mainly from weak establishments, but in regard to Salt it cannot be doubted that the enormous temptation offered by the vast difference between the monopoly price and the cost of manufacture will generally overcome to some extent all precautions against illicit traffic in that article.

3. Regulation I. of 1805, to which the late Madras Member of the Legislative Council referred in his letter communicated with the above quoted Extract Minutes Conultation relates to Salt the produce of the Madras territory, and will not meet the case of Salt smuggled from adjoining foreign territory, such as the Portuguese, and French Coast Settlements, and those officers best qualified to judge are generally in favour of the proposition for adding to the existing penalties that of confiscation of the vessel, cart or cattle used in transporting the smuggled article.

4. The Board hope that as regards Salt the introduction of the excise in lieu of the monopoly system, may do some good, as the licensed manufacturers, will be interested in putting down any illicit pans in our Districts and in preventing the contraband importation of foreign Salt, while the attention of the Government establishment can be more entirely given to the work of guarding against smuggling.

5. The Draft Act for the introduction of the excise submitted by the Board to Government also provides for the confiscation of the vehicles employed in transporting smuggled Salt of all descriptions, and the Board therefore look to some check in the illicit trade of the home manufactured article. But these increased local difficulties will only add to the inducements to the illicit foreign trade and on the general question of smuggling, no doubt the late change in the Tariff must increase the temptation.

Pro. 26th Jan. and 28th April 1859.

6. There is one point which the Board desire now to bring to the notice of Government, namely the facility with which vessels clearing out for British Indian Ports can evade the duties to which they are properly liable had they cleared out for the Foreign Port to which they really proceed. Thus vessels from the port of Canara clear out for Bombay and proceed to Goa, or Mahé, or possibly to the Arabian Ports and thus evade the Export duties properly leviable on their cargoes. How far this fraudulent evasion of payments is carried we have no means of judging accurately, but that it does exist to a considerable extent is known, while the means of efficiently checking it are wanting.

No. 38. ORDER THEREON, 15th June 1859, No. 790.

The Board of Revenue reply to the order of Government of April 20th 1858, transmitting for their opinion some papers received from the Madras Member of the Legislative Council, relating to the subject of smuggling.

2. There were two points in those papers needing an answer.

1st. As to the extent to which the smuggling of goods other than salt prevails in this Presidency.

2nd. The necessity with reference to the state of the case in this respect, of more stringent legislation against the smuggling of such goods.

3. The Governor in Council does not find that the present letter furnishes a reply on either point; no definite opinion is expressed as to the prevalence of smuggling, and no opinion is offered as to the necessity of further legislation on the subject. He resolves therefore to request the Board to submit replies on both points. Since the date of the former order the circumstances have become changed, and it will now be proper to consider the subject with reference to the new customs law.

4. Adverting to para. 3 of the Board's letter, the Government observe that the fines provided in Section XVIII. Regulation I. of 1805 certainly include the case of foreign as well as home made salt: to perceive this it is only necessary to compare the section just mentioned with Section IX. of the same Regulation. It is possible that the opinion on this point expressed by the Board may be held likewise by the authorities in Canara, the only District into which salt is likely to be smuggled, and it is desirable therefore that the Board should point out the true meaning and scope of the enactment in question to the Collector of that district.

5. Para. 6 of the letter relates to a subject not immediately connected with the matter in hand. Means were adopted, as the Board are aware, soon after the passing of Act VI. of 1848 to prevent the evasion of payment of duty referred to; those means were found to be troublesome to work and of little beneficial effect, and after being tried some time they were abandoned in 1854 by order of the Government of India. It does not seem necessary to re-open the question at present.

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

Rev. Dept.

No. 790.

Proceedings of the Madras Government

Under date the 15th June 1859

Read the following letter

from the Sub Secretary

to the Board of Revenue

(Received 13th May 1859
No. 1716)

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4 Adverting to Para 3 of the Board's letter, the Government observe that the fines provided in Section 18 Regulation 1 of 1805 certainty include the case of foreign as well as home made salt: to perceive this it is only necessary to compare the section just mentioned with Section 9 of the same Regulation. It is possible that the opinion expressed on this point by

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5 Para 6 of the letter relates to a subject ~~of no little importance~~, ~~though~~ not immediately connected with the matter in hand. Means were adopted, as the Board are aware, soon after the passing of Act VI of 1848 to prevent the evasion of payment of duty referred to; those means were found to be troublesome to work and of little beneficial

6 Copies to the Bd of Rev Dated 16th

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Revenue 1859 Dep.t.
Pro: of Gov.t 17.th June

No. 790.

Pro: of the Madras Gov.t.-

Dy 15.th June/59.-

Memo- from the Bd of Rev.t
Dy 7th July/59 C.No 1269 inb.
Mis: 765.

Board to reply on both the points alluded to on the smuggling of goods and also to point out to the Collector of Canara the true meaning and scope of the Regulation I of 1805.

No 37 & 38.

From the Sub Secretary to the Bd. of Rev.t 24 Dec.r 58 Ch No 90 inc

cb Lmm 14.th