M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 621-22 Press / Mis.

308. 309

Dated 16-3-1861.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
16th March 1861.

No. 308. Read the following letter from F. C. BROWN, Esq., to THOMAS PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated Madras, 6th February 1861 :—

SIR,

1. I request you will submit the following representation to His Excellency the Governor in Council.

2. In the year 1853, in consequence of the increasing and successful competition of Java Cinnamon in the markets of the world with the Cinnamon of Ceylon, the Ceylon Government found it necessary to declare Ceylon Cinnamon free of export duty.

3. Being at that time in England, and being also then, as I am now, the sole grower and exporter of Cinnamon from the Continent of India, I solicited the Court of Directors to grant the same relief to my produce in Malabar. The Honorable Court at once instructed the Supreme Government to relieve the Cinnamon and Cassia of India from duty on exportation. I annex a copy of the Court's letter to me, dated 24th September 1853.

4. This exemption continued in force until December last, when on shipping my Cinnamon (sixty-one bales) from Cochin to London, it was again charged with export duty without notice given or issued.

5. I represented the case to the Collector of Malabar. The Collector referred it, to the Board of Revenue. The Board decided as follows: (19th January) "Cinnamon is liable to an "export duty of 3 per cent. under item 23, Schedule B. Act X of 1860, and as no value is "assigned to it in the Tariff abovementioned, the duty must be assessed *ad valorem*."

6. "The Tariff abovementioned" is the general Tariff for India, which became law on the 12th December 1860.

7. I humbly differ from this ruling of the Board. Before the passing of the general Tariff, Cinnamon was made free under the express instructions of the paramount authority. In the general Tariff, Cinnamon is not named as again made dutiable. *A priori* and *a fortiori*, therefore, Cinnamon is, as I believe, left free. Further, the framers of the general Tariff Civilians and Merchants, had before them the well-considered data on which they framed it. These data would show them, besides the instructions of the Honorable Court, that the total export of Cinnamon from India in 1861 was eighty-one bales, my solitary crop, while the same data would show that the export of Ceylon Cinnamon to London in 1860 was upwards of 8,000 bales (of 100 lbs. each), of Java Cinnamon to Holland of upwards of 3,500 bales. With these patent facts, I cannot suppose that the Tariff framers meant to wage a customs' war against the struggling growth and produce of one solitary Englishman in India. For these reasons, I apply to His Excellency in Council for relief from the export duty charged upon my Cinnamon, and for a refund of the duty paid, Rupees 84-0-0.

8. I now crave further leave, as a land-owner and merchant, to say a few words on an important matter connected with the present application.

9. Whoever will consult Act X of 1860, and the speech in Council which prefaced it, will admit, that their whole intent and meaning were, as regards export duties, to sweep out of the general Tariff a host of paltry articles, the duty upon which never repaid a tithe of the cost of collection, and to leave in the dutiable list, after the manner of Sir R. Peel and Mr. Gladstone, only those great staples of commerce which, happily for India, still continue to be so far beyond the reach of foreign competition as to bear without extinction a heavy export duty, in addition to a land tax of 33 per cent. of the produce. By this relief to trade, and by enacting the general Tariff for three years, Mr. Wilson said he hoped to inspire general confidence, and to give an impulse to the industry and productive energy of the country; showing, as these measures did, that at the same time the direct taxation of the country was increased by the whole amount of the Income Tax, there was every desire to revert to sound principle in export duties, by narrowing their range and incidence as strictly as the public necessities would permit. These hopes become quite fallacious if, beside the Act in question,

he was charged an export duty

there exists a power of nullifying and rendering void the authority of the general Tariff, by re-inserting in it for duty, and without notice given, of articles which the Act, according to reasonable construction, was meant to exclude.

From JOHN DICKINSON, Esq., Deputy Secretary to the Court of Directors of the East India Company, to F. C. BROWN, Esq., London, dated East India House, 24th September 1853.

SIR,

In reply to your letter dated 29th July last, I am commanded by the Court of Directors of the East India Company to inform you, that they have instructed the Government of India to issue a Notification relieving the articles of Cinnamon and Cassia from the payment of duty on exportation from India.

No. 309. ORDER THEREON, 16th March 1861, No. 621.

Under Schedule B. of Act X of 1860, Cinnamon is liable to an *ad valorem* export duty of 3 per cent., in common with other unenumerated articles. The Government are of opinion however that it ought certainly to be exempt, and they will make a recommendation to the Government of India on the subject.

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

Ordered that the following letter be despatched.

No. 310. From J. D. BOURDILLON, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, dated 16th March 1861, No. 622.

SIR,

1. I am directed to forward for the Orders of the Government of India the accompanying copy of a letter from Mr. F. C. Brown, on the subject of the levy of sea customs duty on Cinnamon exported by him from the District of Malabar to England. Mr. Brown's exports of this article are apparently the growth of his own land. He states that he is the only exporter from India; and that his last year's crop amounted to sixty-one bales on which he was charged an export duty of Rupees eighty-four. He solicits that for reasons stated, the duty may be refunded to him.

2. In 1853 the Ceylon Government took off their export duty on Cinnamon; and Mr. Brown being then in England obtained the order of the Court of Directors, to exempt Cinnamon exported from this country. He enjoyed this immunity till the present year; but now his Cinnamon has been taxed, and correctly as the law stands; for under Schedule B of Act 10 of 1860, it is taxable at 3 per cent. *ad valorem* among the unenumerated articles.

Despatch to the Government of India, 21st September 1853, *No.* 2.

3. In reply to a reference last year, the Government of India directed* that "as a rule" exemptions from the present customs tariff should not be allowed under orders issued previously to the enactment of the new law, *i. e.*, 10 of 1860. The Governor in Council cannot but think however that the present representation of the facts as regards Cinnamon will induce the Supreme Government to allow the exemption of the article and sanction the refund to Mr. Brown of the duty levied on his last year's produce.

* *Letter July 29th* 1860.

4. Act 10 of 1860 itself took off the 3 per cent. duty previously levied on Coffee; and Tea also is free. Cinnamon may, in the opinion of His Excellency in Council, be fairly regarded as having fully equal claims.

5. Further, the Revenue involved is utterly insignificant. The payment on Mr. Brown's sixty-one bales is said to be Rupees eighty-four; this is nothing to Government, but it bears very hard on the exporter and may very probably discourage the growth and preparation of the article.

from this Country - He enjoyed this immunity till the present year; but now his cinnamon has been taxed, & correctly as the law stands. For under Schedule B of Act 10 of 1860 it is taxable at 3 per cent ad valorem among the enumerated articles -

3. In reply to a reference + Letter July 29/60.
last year, the Govt of India directed * that "as a rule" exemptions from the present Customs Tariff should not be allowed under orders issued previously to the enactment of the new Law, i.e. 10 of 1860.

4. A law to tax all unenumerated articles on export is not a little surprising as coming from a Jurist of Sir Robert Peel; but still there it is. I cannot but think however that the Govt will allow the exemption of Cinnamon & continue of a representation of the fact is

work.

5. Act 10 of 1860 levies only the 3 per cent duty previously levied on Coffee, & tea also is free. Cinnamon may be fairly regarded as having fully equal claims.

6. Further the revenue in

copy

E. India House. 24 September 1853.

From
John Dickinson Esq
Depy Secy to the Court of Directors of the E. India Company

to F. C. Brown Esq. London.

Sir.

In reply to your letter dated 29th July last, I am commanded by
the Court of Directors of the E. India Company to inform you that
they have instructed the Government of India to issue an Notification
relieving the articles of Cinnamon and Cassia from the payment
of duty on exportation from India.

I am Sir.
Your most obedt Servt
Signed, J. Dickinson
Depy Secy.

- volved is utterly insignificant.

The payment on Rs 81 bales
upon Rs about 110 Rupees:
is nothing to Govt. the but
is something to the exporter.
Will the Govt. allow me
to address the Govt. of India.

F. C.
March 9.

I think on export duty is most objectionable in principle
and in practice injurious to the revenue
and in the present instance
the production
Capital

Equally applicable the Rs &
Much tea Govt of India should
be asked & advised to give
up the last of the duties

E. H.

C. 11th March 12.

Fort St. Geo.

Public Dept.

No. 692.

To The Secretary to the
Government of India

Sir,

I am directed to
forward for the orders of the
Government of India the
accompanying copy of a letter
from Mr. F. C. Brown
on the subject of the duty of
Cinnamon exported by him from the District of Wynaad
to England. Mr. Brown
complains of the high article and
of the inequality of the proportion
of his own Goods.
He states that he is the
only exporter from India
and that his last year's exports
amounted to 61 tons on which
he was charged an export
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N- 24th June/59 — 26-27
N- 15th August — — — 19-20-

N- 10th December/60 — 150
151

From
Wm. Lt. Ca. Brown,
Dated 6th February
Rec'd 7th March
1861.

Applies for relief
from the Export Duty
Charged upon his
Cinnamon and for
a refund of the duty
paid, 1834 — — —

Copy to the Govt. of
India. 16 March/61.

No. 308 + 309.

No. 671. 16 March

Write an order —

-able to an ad valorem export
duty of 3 per cent, in common
with other unenumerated ar-
-ticles. The Govt. are of opinion
however that it ought cer-
-tainly to be exempt, and they
will make a recommenda-
-tion to the Govt. of India on
the subject. —

Lord Lt. Gov.
16th March 1861

13 Copies. Board's Revenue. Oct. 18.
1 " F. C. Brown Esq.

duty of Rupees 84. He solicits that for reasons stated the duty may be refunded to him.

2 In 1853 the Ceylon Government took off their export duty on Cinnamon; and Mr Brown being then in England obtained the order of the Court of Directors, to exempt Cinnamon exported from this Country. He enjoyed this immunity till the present year; but now his Cinnamon has been taxed, and correctly as the law stands; for under Schedule B of Act 10 of 1860 it is taxable at 3 per cent ad valorem among the enumerated articles.

Des. to the Govt of India 21 Sept. 1853 No 2.

3. In reply to a reference last year, the Government of India directed† that "as a rule" exemptions from the present Customs Tariff should not be allowed under orders issued

† Letter July 29. /60

issued previously to the enactment of the new law, i.e. 10 of 1860. The Governor in Council cannot but think however that the present representation of the facts as regards Cinnamon will induce the Supreme Government to allow the exemption of the article and sanction the refund to Mr Brown of the duty levied on his last years produce.

4 Act 10 of 1860 itself took off the 3 per cent duty previously levied on Coffee and tea also is free. Cinnamon may, in the opinion of His Excellency in Council be fairly regarded as having fully equal claims.

5. Further the revenue involved is utterly insignificant. The payment on Mr Brown's 61 bales is said to

to be Rupees 84 - this is nothing to Government but it bears very hard on the exporter, and may very probably discourage the growth and preparation of the article.

Fort St George
16th March 1801.

To The Govt of India

Export duty on Cinnamon

Lui. Som

Revenue 1861 Departt.
Pros: of Govt for March.

No. 622.

89-69 X

97-669+

To
The Secretary to the
Government of India.
Dt 16th March 61.

Recommending the exemption of Cinnamon from export duty and the refund of 84 Rupees to Mr F. C. Brown.

No 310.