M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 291 Press
Mis.

139-140

Dated 10-2-1863

Not to be folded or roughly handled

No. 139. Read the following letter from W. HUDLESTON, Esq., Secretary to the Board of Revenue, to J. D. SIM, Esq., Secretary to Government, Revenue Department, dated Madras, 24th November 1862 :—

SIR,

1. With reference to the Order of Government No. 1,837, in the Revenue Department, dated 11th October 1860, referring to the Board of Revenue a letter from H. Forbes, Esq., Member of the Legislative Council at Calcutta, forwarding a copy of a Petition presented to that Council by Messrs. Fischer & Co. of Salem, praying that the provisions of Act XV of 1851 (for the better suppression of frauds in respect of Cotton in Bombay) may be extended to Madras; I am directed by the Board to submit such replies as they have received to their Circular* regarding the subject, together with an abstract prepared in their Office.

* Board's Proceedings, No. 2,088, dated 31st March 1862.

2. The Chamber of Commerce, the Trades Association, Messrs. Fischer & Co. of Salem, Messrs. Cocq & Co. of Tuticorin and Messrs. Brice & Co. of Malabar were also requested to favor the Board with their opinion, but have not done so up to the present time.

3. From the replies received, it appears that all the Collectors, except the Collector of Bellary, are unfavorable to any legislation of the kind proposed, every Officer being of opinion that it would be impolitic in the present state of Cotton cultivation in this Presidency to prohibit the mixture of different kinds of the produce for sale, of which practice indeed the Merchants generally appear to be aware as a legitimate trade in such mixed article is stated to exist.

4. Messrs. Barter & Co. suggest that only Cotton adulterated with seed Cotton, seed, grave and sand, which substances are manifestly introduced with the fraudulent design of increasing the weight, should be rendered liable to confiscation.

5. The Board are by no means satisfied that any necessity for special legislation on the subject exists in this Presidency at present.

No. 140. ORDER THEREON, 10th February 1863, No. 291.

Ordered to be recorded.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

Revenue Board's Office
Madras
24th November 1862

No.

From,

H. Huddleston, Esqr.
Secretary to the Board of Revenue

To

J. D. Sim Esqr.
Secretary to Government
Revenue Department

Sir,

With reference to the order of Government No. 1837 in the Revenue Department, dated 11th October 1860 referring to the Board of Revenue, a letter from H. Forbes Esqr. Member of the Legislative Council at Calcutta, forwarding a copy of a Petition presented to that Council by Messrs. Fischer & Co. of Salem, praying that the provisions of Act XV of 1857 (for the better suppression of frauds in respect of Cotton in Bombay) may be extended to Madras, I am directed by the Board to submit such replies as they have received to their Circular* regarding the subject, together with an Abstract prepared in their Office—

* Board's Proc: No. 2088, dated 31st March 1862.

2. The Chamber of Commerce, the Traders Association, Messrs. Fischer & Co. of Salem, Messrs. Cocq & Co. of Tuticorin and

Messrs.

Messrs. Brice & Co. of Malabar were also requested to favor the Board with their opinion but have not done so up to the present time.

3. From the replies received, it appears that all the Collectors, except the Collector of Bellary, are unfavorable to any legislation of the kind proposed, every Officer being of opinion that it would be impolitic in the present state of Cotton Cultivation in this Presidency to prohibit the mixture of different kinds of the produce for sale, of which practice indeed the Merchants generally appear to be aware as a legitimate trade in such mixed article is stated to exist.

4. Messrs. Barker & Co. suggest that only Cotton adulterated with seed Cotton, seed, gravel and Sand, which substances are manifestly introduced with the fraudulent design of increasing the weight, should be rendered liable to confiscation.

5. The Board are by no means satisfied that any necessity for special legislation on the subject exists in this Presidency at present.

I have the honor to be
Sir,
Your Most Obedient Servant,

Revenue Bd. Office,
Madras
24th November 1862.

Secretary.

To,
J. D. Sim Esqre
Secretary to Government
Revenue Department - with an abstract

Abstract of the Replies to the Board's Proceedings No. 2088 dated 31st March 1862 on the Order of Government No. 1837 dated 11th October 1860 forwarding for the Board's report letter from H. Forbes Esq Member of the Legislature Council Calcutta regarding a Petition presented to that Council by Messrs. Fischer & Co. of Salem praying that the provisions of Act XV of 1851 for the better suppression of frauds in respect of Cotton in Bombay may be extended to Madras.

From Collector of Sea Customs Madras dated 11th instant 12th April 1862 No. 2189.

Seems no advantage in introducing Act XV of 1857 into this Presidency when it is confessed to have failed in its object in Bombay. A legitimate trade in mixed Cotton appears to exist, and the purchaser might well be allowed to judge for himself in the matter.

Coimbatore dated 6th instant 11th August 1862 No. 5032.

Any legislation of the kind proposed, would be impolitic. Much depends on the honesty of the Agent who comes among the ryots to purchase Cotton for the great Merchant and Exporter. When the price offered is lower than it should be for good Cotton, the article is doubtless adulterated in order to yield a fair profit to the Grower.

Tinnevelly dated 5th instant 12th July 1862. No. 2350.

Legislation is unnecessary. Messrs. Hardy and Pinnent two of the Cotton Merchants in the District have not replied to the Collector's reference to them on the

the subject-

The Cotton growers and Mer-
-chants in the District being themselves dealers in mixed Cotton do not desire the extension of Act XV of 1851 to the Madras Presidency-

Madura, dated 5th inclos 8th May 1862 No 2749-

Is of opinion that the Sale of mixed Cotton cannot be called an offence in the present state of Cotton cultivation and trade, unless there a false declaration of quality has been made, in which case the party would be punishable for cheating under the penal Code (Vide Sec 415 Illus-
-tration C)-

Salem, dated 6th inclos 9th June 1862 No 3546-

Sees no objection to the Pro-
-visions of the Act in question being extended to this Presidency and some of the leading merchants in the District entertain the same view-

Bellary dated 19th inclos 25th August 1862 No 5381-

Forwards letter from Mr Saalfeld Asst Erlauttnot & Co Indigo Agent who has had 28 years experience of trade in the District, and agrees with him that legislation of the kind proposed is impolitic- Is not aware "why the mere mixture of different kinds of Cotton should be a criminal Act"- Thinks that if a Supplier on Contract engages to supply clean Cotton by weight and forthwith proceeds to mix it up with Sand and to damp it in order to increase the weight, he might be punished for fraud under existing

Cuddapah dated 6th inclos 10th May 1862 No 2835-

Petitioning Mr Barter dated 16th inclos 21st April 1862 No 2425-

existing laws-

Mr Barter suggests that adulteration of Cotton should be distinguished into (I) Adulteration consisting of leaf, particles of pod and stained fibre; and (II) of Seed Cotton, Seed gravel and Sand. The first being the result of carelessness rather than fraud, should not be rendered penal, as there is a legitimate trade in Cotton so adulterated, and Merchants may well be left to themselves to determine the class or degree of Superiority of such Cotton. In the Second class of adulterations, some water is used to cause the adhesion of the foreign Substances to the Cotton with the fraudulent design of increasing its weight and such practice should be rendered penal- fine to ten per cent of extra weight is thus gained and this is well known in the English market to the disadvantage of Merchants ship-
-ing Home East India Cotton-

There is no legitimate trade in such Cotton, and possession of it should be rendered penal to the full extent of confiscation- "Possession alone" "should be made the penal proof and "then no one will incur the risk of re-
-ceiving such Cotton from first hands"- "the requirement of any other evidence than "possession will defeat the most elaborate "enactment" The idea that the Merchant has

has the remedy in his own hands, by withholding all payment until the receipt of the unadulterated article, would be sound if the necessary but vicious system of advancing for produce did not exist. "Where competition is inactive or "altogether wanting the system may "be broken through, but then competition "is necessary, or full development of a "trade can never be arrived at. The "Madras Merchant would willingly "add to the present price of Cotton, the "four months interest on the advance "demanded, if by doing so he could escape "the risk and many evils attending the "system".

L Bruce
Secretary.

Geo Barbett

Note.

This subject — the repression by a criminal enactment of the adulteration of Tobacco was started in 1851 by the Bombay Govt who commenced vigorously enforcing a local law against the ~~sale~~ practice and asked the Govt of Bengal Govt. This Govt however held different views on the question and did not follow their lead.

In 1860 the Bombay member of the Indian Legislative Council brought in a Bill to amend the Bombay Laws of XV of 1851 which had proved ineffectual. But

Enclosure No 1 in a Letter from the Secretary to the Board of Revenue to the Secretary to Government Bombay dated 24th November 1862 No

Bo = 3205/62.

Abstract of the Petition to the Board — Proceedings of 20th 2088 dated 3rd March 1862 on the Order of Government of 19837 dated 11th October 1860 —

abandoned his intention
being "convinced" that the
"difficulties in the way of
legislating upon the subject
in the manner proposed
at Bombay were insur-
mountable" The difficulty
was the fact of there being
"a legitimate trade in mixed
Cotton" - One of the Members
of the Bombay Council has
recently obtained permission
& going in a Bill for the
object in view - v. Bombay Govt
Sept: 12 Sept 1862 where the
"reasons" will be found fully

set forth -

Simultaneously with
the abandonment of the Bombay
Bill in 1860, Messrs Fischer & Co
of Salem petitioned the Imperial
Council for a Cotton Bounty
Law in Madras. The Hon'ble
the Madras Member, sent for
Report, stating the circum-
stances which had led to
the abandonment of the Bom-
bay Bill, as first might "perhaps
wish to consult their Revd Officers
upon the question" The Revd
went on to the Bd of Rev
who here told & consulted the
Chrs of the Cotton Districts
the Chambers of Commerce,

and private merchants.

The return is the packet now obtained for orders.

The Madras Chamber of Commerce - Trade Association & several merchants have not replied to the Bill -

Of the seven Chambers consulted, only one (Bellary) is favorable to the proposed New merchant, clerk, or broker not at present employed in Cal. Bazaar is opposed - The Boards of Directors for, the measure -

The Bill as now stands that any necessity exists in this Presidency for Special legislation on the subject.

The question now virtually resolves itself into whether this Bill will take such a better in these days Council or not.

The Existing Laws for Cheating - Penal Code, S. 415 - 418 is of Crude application to Cotton as to the cheating - The definition is wide enough & take in a great deal and the illus-

- Factors &c &c are to the
front. Illustrations of again
traces the line between cri-
minal & civil breach of faith.

They own opinion is
adverse to the present practice
of treating breaches of civil
Contracts into criminal
offences and I believe that
such laws as Bonfay under
for, are impolitic even as
regards the Merchant themse-
-lves. Often no doubt is a-
-dulterated as every thing
else is, with dishonest sellers
and frantic purchasers
but the present Court of a

for, or in my opinion, any
law should. If merchants
will bid against each other
employ runners they meddle
men and make advances
lavishly in order to outbid
one another in the market, they
Can scarcely appeal to the
State to punish criminally
what their own mode of
business so largely induces.
I should fancy that nowhere
else are advances so freely
made to men of straw who,
as alleged, must be criminally
dealt with, because they cannot
in fraud, the penalty of their
misdeeds. If the Farmers made
their agents pay all advances

to proceed out of their own pockets
the evil would soon cease - The
Irish difficulties of Bengal
afford a very serious warning
in this way -

I beg to call
the Board's attention to the question

I. Whether Govt will assume
the necessity of legislative
action - or

II. Deny it

or

III. Transfer the matter
for consideration in the
Legislative Dept

or

IV. "Record" the papers, leaving
any Member of the Council
if there are 2 merchants &c
if to bring forward the subject
on any occasion

I beg to

Pro: 11 Oct/60 Nos 171-172

Rec. 1862 Oct 10
Rec. of Govt for Feb 1862
No. 321 & 63

971

From
The Secretary to the
Board of Revenue
To
The Secretary to Govt
Fort St. George.

Dated 24th
Desp. 24th Oct 1862.
Rec. 25th do (Govt)

No.

Submitting with reference to G. O. of 11th Oct 1860 R. D. No. 1837 the opinion of the Board & the Collr on the request of Messrs Firebrace & Co of Salem, that the provisions of Act IV of 1851 for the better succession of lands in respect of Cotton in Bombay be extended to Madras.

Rec. 291.

RECORDED.

From Govt
10th Feb 1863 Dy

From Lt Colonel Norman Chamberlain
& Commissioner Pondicherry
No. 205

No 139 & 140.

Mr Collector & the Principal Collr & Agent