

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No.	1166	Press Ms.
63-64 Dated	5-8-1870	19

Not to be folded or roughly handled*ms*

*Proceedings of the Madras Government, Revenue Department,
5th August 1870.*

No. 63. Read the following Proceedings of the Board of Revenue, dated 26th July 1870, No. 5,045:—

Read the following letter from the Collector of Sea Customs, Madras, to the Acting Secretary to the Board of Revenue, dated 9th July 1870, No. 604.

I HAVE the honour to bring the following circumstances to the Board's notice.

2. On the 21st June 1870 one G. Narsimooloo Chetty produced before the Deputy-Collector a Bill of Entry and Pass for a case of gold thread, marked G.A.C. & Co., No. 78, containing 150 ozs., valued at Rupees 525, per P. & O. steamer *Surat* from Suez.

3. The Bill of Entry was then taken by Narsimooloo Chetty to the Appraiser's Department, where it was checked with the Invoice, and the Invoice-value (£52-12-6) for case No. 78 was entered by a Clerk in the Appraiser's Department on the Bill of Entry.

4. The document was then taken by Narsimooloo Chetty to the Cash Department, where the duty (Rupees 39-6-0) was paid, and afterwards sent into the Inspector's Department, where the Bill of Entry was compared with the Pass, which up to this time had been in Narsimooloo Chetty's custody.

5. The number on the Bill of Entry had been altered in its transit between the Appraiser's and Cash Departments from 78 to 80. The number on the Pass had not, I believe, been entered at all when it was taken to the Deputy-Collector for the "Examine" order, nor had the name of the steamer been entered; both these entries, however, had been made before the Pass was delivered to the Inspector's Department by Narsimooloo Chetty.

6. The Pass after the "Pass" order had been written on, by the Deputy-Collector was sent as usual to the yard Gate-keeper.

7. About 4 p.m. on the 22nd June, just as the gate was being closed, G. Narsimooloo Chetty brought box No. 80 to be passed. The Gate-keeper, suspecting from the size of the box that it contained more than 150 ozs. gold thread as stated in the Pass, refused to pass it and reported the circumstance.

8. On the case No. 80 being opened, it was found to contain the following articles:—

	RS.	A.	P.
Gold Thread, 300 ozs., at Rupees 3-10-0 per oz.	1,087	8	0
Silver Thread, 30 ozs., at 3 Rupees per oz.	90	0	0
1 tin, containing Saffron, 6 lbs., at 16 Rupees per lb.	96	0	0
Total...	1,273	8	0

The loss of duty therefore, if the fraud had succeeded, and case No. 80 had been passed instead of No. 78, would have been Rupees 56-2-2.

9. Thus G. Narsimooloo Chetty fraudulently attempted to pass the case No. 80 for case No. 78, which was the original number entered in the Bill of Entry, and regarding which he had produced the Invoice, and got the Bill of Entry passed in the Appraiser's Department. Both boxes, Nos. 78 and 80, are in the Custom-house.

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10. On examination of the Bills of Entry, the Bills of Lading, and Parcel Lists of the P. & O. steamers, for gold thread formerly passed by Narsimooloo Chetty, I find that the Custom-house has been defrauded from 18th June 1869 to the extent of about Rupees 1,083-13-0.

11. G. Narsimooloo Chetty being a large and regular importer of gold thread, had great facilities for carrying on these frauds. He appears to have kept five or six small boxes of gold thread at the Custom-house in reserve. A Bill of Entry would be put in by him for a box, say No. 40, containing 100 ozs.; after it had passed the Appraiser's Department, the No. 3 in it and the Pass would then be altered to say No. 50, containing 200 ozs., and the latter would be passed instead of the former, although duty had only been paid on the box containing the smaller quantity, as he attempted to do in the case reported, which was accidentally discovered by the Gate-keeper. Sometimes, of course, a Bill of Entry would have to be put in for the smaller box. In that case, there would be a clean Bill of Entry; in such cases we have two Bills of Entry and Passes for the same box, the real box being passed under the one, and a larger box under the other; the same Invoice being produced in both cases.

12. These frauds have arisen from allowing certain privileges in passing goods imported by P. & O. and French steamers. Bills of Entry were not checked with the steamers' Manifests, as the latter were not put in until two days after the steamer's departure, and Bills of Lading were not produced in the Inspector's Department, as the P. & O. and French Companies are permitted to deliver goods by their own servants from their own private godowns in the Custom-house, on receipt of the Bills of Lading; the goods of course having first paid duty and the order to "pass" having been given. I have directed that in future Bills of Entry shall be compared with the Parcel Lists, (which are equivalent to Manifests,) and the Bills of Lading by the Inspector's Department. Passes will also, in future, be sent to the Inspector's Department by a Peon, after the "Examine" order has been given. This will prevent tampering with the Pass.

13. In order to put a stop to the fraudulent production of one Invoice twice over, I have directed that the Appraisers initial and date all Invoices produced before them in red ink—a practice which some years back was instituted in the case of Bills of Lading, in order to prove that they had been presented in the Inspector's Department.

14. I trust that these and other departmental instructions will prevent the recurrence of such frauds.

15. I have consulted the Government Solicitor on the matter, and he is of opinion that the box No. 80 can be confiscated under Section 28 of the Customs Act; he also thinks that G. Narsimooloo Chetty is liable to a fine of Rupees 1,000, under paragraph 2 of Section 216, for "fraudulently altering any document relating to the Customs;" he is doubtful whether G. Narsimooloo Chetty can be prosecuted under the 1st paragraph of Section 216, as it is clear that at the time the Bill of Entry was made and signed by him, it was *not* false in any particular. He, however, suggests prosecuting G. Narsimooloo Chetty under both the 1st and 2nd paragraphs of Section 216, and if we fail on the first, he will probably be con-

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victed on the second. I request therefore the Board's sanction for the Government Solicitor to prosecute G. Narsimooloo Chetty at the public expense.

SUBMITTED to Government, with the request that they will authorize the Government Solicitor to prosecute Narsimooloo Chetty.

2. The precautions which the Collector has taken to provide against any future occurrence of a similar fraud appear to be judicious.

No. 64. ORDER THEREON, 5th August 1870, No. 1,166.

Separate Revenue, No. 7.
Customs.

ORDERED accordingly that the Government Solicitor be authorized to conduct the prosecution of G. Narsimooloo Chetty, as desired by the Board of Revenue.

(True F. R. Bantleman.)

(Signed)

H. E. STOKES,

Under-Secretary to Government.

To the Board of Revenue.
.. the Government Solicitor.
.. the Collector of Sea Custom, Madras.

Erd. F. R. Bantleman.

no 1166.

Ordered accordingly
That the said Solicitor
be authorized to conduct
the prosecution of G.
Kannivaloo Chetty, as
directed by the Bd of
Revenue.

RA
5. Aug. 1/30

71.

J. B. L.

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" Govt. Librarian 155 N. 2nd St. N.
" " Editor of the Commercial S. 1. 2nd St. N.

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