Proceedings of the Madras Government, Revenue Department, 17th March 1871.

No. 211. Read the following Proceedings of the Board of Revenue, dated 13th December 1870, No 7,092 :—

Read the following letters :—

From the Collector of Kurnool, to the Acting Secretary to the Board of Revenue, dated 9th September 1870, No. 296.

In reply to Miscellaneous Proceedings of the Board, No. 718, dated 3rd September 1870, endorsed on Government Order, dated 13th August 1870, No. 1,249, Revenue Department, I have the honour to submit the following report:—

2. The Nizam's Government wishes the frontier districts to furnish merchants conveying merchandize from one British district to another, through the Nizam's territories with Passports (or Chittas) to protect it from transit duties, with the object of doing away with constant complaints, and "effectually to put a stop to smuggling of the goods as come under Dhakela Chitta No. 5."

3. In this district there is a frontier extending for a distance exceeding 50 miles, across which there is at all times of the year a constant traffic.

To give the Passes recommended, it would require a regular establishment along the whole of this frontier supplied with Passes to be given to all parties applying for them, and requiring to be filled up with the necessary information.

4. We do not possess such an establishment, and I certainly would not recommend the formation of such establishment, because, in the first place, it would be very expensive to maintain, and because, in the second place, it would cause complaints in the British districts, which would far exceed in number those now stated to exist in the Nizam's territories.

5. It would, I consider, be an anomaly for the British Government where trade is free, to maintain an establishment on its frontiers, to protect the trade of the Nizam's territories where trade is not free.

6. I am at a loss to see why Free Passes should not be given for transit of merchandize through the Nizam's territories by the Nizam's officials, who are now entertained, and who do the work of Customs-house Officers on the Nizam's frontier.

From the Officiating Collector of the Kistna District, to the Acting Secretary to the Board of Revenue, dated Condapalli, 28th September 1870, No. 4,325.

With reference to Government Order, No. 1,249, dated 13th August, Revenue Department, communicated with Board's endorsement, No. 718, dated 3rd September 1870, I have the honour to make my observations as follow on the proposals of His Highness the Nizam's Government—

2. The Nizam's Government propose that traders, who convey goods from one British district to another through the Hyderabad territory, should, in order to be allowed to pass without paying transit duty, be required to provide themselves with a written document from the authorities in British territory to be produced before the Nalakadar of the 1st Naka on entering the Nizam's dominions, and there to obtain a Dhakela Chitta, No. 5, and that if they fail to produce this

Dhakela Chitta, No. 5, either before the last Nalakadar or on demand, that they be required to pay the full duty.

3. The proposal of the Nizam's Government, that all traders should obtain a written document from British authorities to cover their goods before entering the Nizam's dominions is unobjectionable, except that it will increase considerably in some places the work already heavy in taluqs, and in consequence, delay may sometimes occur before applicants obtain their Passes. I would propose that officers who are to be authorized to issue such Passes, should not be below the grade of Tahsildar or Deputy-Tahsildar, and that regular Registers be directed to be kept at their offices of all such Passes issued for future reference. I presume applications from traders for these Passes will require to be stamped under the Court Fees' Act, and if so, it will be an additional duty on goods in transit by land; but the merchants may fairly be required to pay this small trifle for the convenience of the Passport.

4. As regards the proposal for the collection of transit duty by British authorities from those defaulters who fail to produce the Dhakela Chitta, No. 5, and dispose of their goods in the Nizam's territories, a serious objection presents itself to me. In the absence of any legislative enactment, it would be illegal to collect transit duty from British traders in British territory for a foreign State, and even granting it were legal, in what way could the collection be realized, not as arrears of revenue due to the British Government, under Section 51 of Madras Act II of 1864.

5. The speedy disposal of emergent business may be doubtless facilitated by correspondence between the officers of the Nizam and those of the British Government direct, instead of through the Resident, but if this be sanctioned, all correspondence will take this form. Correspondence between the officials of two independant States requires careful control and supervision, and subordinate officers are liable to compromise Government in their official acts if they correspond directly with the officers of the neighbouring State. I would, therefore, suggest that in case of direct correspondence being sanctioned between subordinate officials of the two Governments in cases of emergency, the superior authorities of each should be kept informed of all that passes, to enable them to interfere, should any irregular or improper requests be made or complied with on either side.

From the Acting Collector of Bellary, to the Acting Secretary to the Board of Revenue, dated 4th November 1870, No. 392.

With reference to the endorsement of the Board, No. 718, dated 3rd September, upon the Proceedings of Government, Revenue Department, No. 1,249, dated 13th August last, I have the honour to state that the adoption of the rules proposed with reference to the levy of transit duties by the Nizam's authorities on goods passing through His Highness' territories from one British district to another will be advantageous to traders.

2. The delay in answering this reference has arisen from the fact of the opinion of the Tahsildars of those taluqs bordering on the Nizam's territories having to be taken. The last has only just been received.

From the Acting Sub-Collector in charge of the Godavery District, to the Acting Secretary to the Board of Revenue, dated Cocanada, 13th September 1870, No. 284.

With reference to the Board's Proceedings, Miscellaneous, No. 718, dated 3rd instant, communicating Government Order of the 13th ultimo, No. 1,249, on the subject of transit duties on goods passing through His Highness the Nizam's territories from one British district to another, I have the honour to report that I approve of the proposal to introduce a system of Permit. Covering Permits have since long been granted by the Tahsildars of this district.

Submitted to Government, with reference to Government Order, 13th August 1870, No. 1,429.

2. The Minister of His Highness the Nizam proposes that to prevent the exaction of transit duty by mistake from traders carrying goods from British territories to British territories across the Nizam's dominions, they should be required to provide themselves with written documents from British authorities. If the goods carried under such Passes are nevertheless disposed of in the Nizam's territories, "such goods will be taxed according to the Invoice received from the British authorities and settlement made in communication with them," or, in other words, the tax will be collected by officers of the British Government [illegible] to the Nizam's treasury.

3. There are two objections to this procedure which seem to the Board to be insuperable.

4. In the first place there is an extended frontier, and the authorities near it who could be trusted to write Passes are few and far between. As through traders without a Pass would always have to pay transit duty, and it would be difficult to get a Pass, duty would probably be exacted under the Pass system oftener than it now is.

5. In the second place it seems to be a *sine qua non* that when transit duty has been improperly evaded under cover of a British Pass, British authorities should collect it. There is no law under which this could be done.

No. 212. Order thereon, 17th March 1871, No. 462.

Separate Revenue, No. 10.
Customs.

Ordered to be communicated to the British Resident at Hyderabad, with reference to his Officiating 2nd Assistant's letter, dated 25th July 1870, No. 2,280.

2. The Government are of opinion that so far as the requirement of covering Passes is concerned, the proposal of His Highness the Nizam's Minister is entitled to all consideration, and the Board of Revenue will accordingly instruct the Collectors of the districts adjoining the Hyderabad territory to notify, for the information of all concerned, that the production of such Passes will be required

in the Nizam's territory in the case of all goods intended to be carried through that territory from one British district to another, and that they may be obtained on application to the Taluq Officers at the Kusbahs nearest to the frontier through which the goods may pass before entering Hyderabad limits. The Notification should also explain that this Pass will be taken by the Nizam's Customs Officers, who will give in lieu of it a corresponding Pass to cover the goods in transit, which Pass will have to be given up on quitting Hyderabad territory, but will clear the goods from all charges.

3. The Collectors should at once furnish the Taluq Officers with a form of Pass to be used, specifying the particulars required by the Nizam's officers, and having a counterfoil for retention in the taluq; and printed copies in books should be supplied for use as speedily as possible. The form should be like that of a Cheque Book, and each Pass and counterfoil should bear a serial number.

4. The Government do not very clearly understand the intention of the Minister's proposal in regard to the duty (Nizam's) leviable on goods which may be surreptitiously disposed of while in transit; but if it is intended that such duty should be realized for the Hyderabad State by the British authorities from the owners of the goods, then the proposal is one which this Government cannot entertain.

(True Extract.)

(Signed) W. HUDLESTON
Secretary to Government.

To the Board of Revenue.

Exd. F. R. Bantleman.

REVENUE DEPARTMENT,
FORT SAINT GEORGE,
17*th March* 1871.

No. 213.

No. 463.

To

THE RESIDENT AT HYDERABAD.

Separate Revenue, No. 11.
Customs.

SIR,—I am directed to acknowledge the receipt of your Officiating 2nd Assistant's letter, dated 25th July 1870, No. 2,280, communicating for the consideration and approval of this Government certain proposals made by His Highness the Nizam's Minister in view to putting a stop to complaints in connection with the levy of Transit-duties by the Nizam's authorities on goods passing through His Highness' territories from one British district to another.

2. In reply, I am directed to forward the accompanying Proceedings of this Government, embodying the report received on the subject, and explaining the extent to which His Excellency the Governor in Council is prepared to assent to the proposals made.

Procs. of Govt., 17th March 1871, Nos. 211, 212.

I have the honour to be,
Sir,
Your most obedient servant.

(Signed) W. HUDLESTON,
Secretary to Government.

Exd. F. R. Bantleman.

No

To

The Resident at

Hyderabad

Sir,

I am directed to acknowledge the receipt of your D.O. 2nd Assistant's letter dated 25th July 1870 No. 2280 communicating for the consideration and approval of this Govt certain proposals made by His Highness the Nizam's Ministers in view to putting a stop to complaints in connection with the levy of transit duties by the Nizam's authorities

&c

on goods passing
through His Highness'
territories from one
British district to
another.

2. In reply, I
am directed to forward
the accompanying
Copy of the Bd of Rev,
objecting to the readiness
with which the Secretary
proposals.

3. This Govt answers
the objections raised
by the Board. Then Pol
on the subject bearing
this date &c are
also herein enclosed

dated 13 Dec. 1870
No 7092

Govt. entirely with
Govt. and on
subject. Objections
the Govt of
H.M. the Govt
suspend
assent to the
proposals made.

Rev. Dept.

Proceedings of the Madras Govt.
Under date the 1870.

Read the following
Pres. of the Bd. of Revenue

Submg with remarks,
Reports from certain Collectors on
proposal of H.H. the Nizam's
Minister that traders conveying
merchandize from one British
District to another, thro' Nizam's
territories, should be required to furnish
themselves with passports from
British authorities to protect such
merchandize from transit duties

See the Minute

13th December 1870.
No 1092.

Ordered to be
communicated to the
British Resident at
Hydrabad with reference
to his Off. 2nd Apl. 70
letter dated 25th July 1870
No 2280.

2. The Govt. concur
in

in both the objections raised by the Board to the Ministers proposal

3. The fort are not aware what system is at present in force for shipping goods, as it were in bond, from one part of British territory, to another via the territory of the Nizam, but they agree with the Board as to the difficulty that would be unavoidable in the way of obtaining the proposed certificates of origin &c consignment in the scattered positions of the several authorities who could be entrusted with authority to grant them, and

I dont agree with this. I think the proposal of the Hyderabad authorities that a reasonable time should elapse between the payment of duties in the Hyderabad territory & the production of certificates of origin in British Territory, is fair. It is only just to the Hyderabad Government to the Nizam that the goods covered by the certificates should be actually in deposit in British Territory. I dont see any difficulty attached to this provided the goods by which

goods are carried into the Hyderabad territory, pass the Custom House at Sholapur & carry with the fact. At any rate the Nizam's trade with Bombay carried by the Nizam's system into a few main trunks that is desirable.

I dont see either why there should be any obstacle under cover of a bonded pass which both Governments by British authority & Sholapur bonded by Hyderabad authority & at present attached at the ports of the Nizam's officials an appeal might lie to the Resident

and they apprehend that the rule would thereby become a dead letter, and the anticipated additional facilities for trade would not be realized

4. If, as would appear to be the case, it is contemplated that duty due to H.H. the Nizam's Govt on such "bonded" goods if positively sold in Bombay, should be collected by the British authorities from the trader at the place of origin, the proposal is one which this Govt cannot entertain.

L.B.

1871

Revenue Department.

No. 462

PROCEEDINGS *of the* **MADRAS GOVERNMENT.**

Under date the 17th March 1871.

Read the following ~~letter~~ Proceedings

of the Board of Revenue

Submitting with remarks, Report from certain Collectors on perusal of H. H. the Nizam's Minister that traders conveying merchandize from one British Dist: to another, thro' Nizam's territories, should be required to provide themselves with passports from British authorities to protect such merchandize from transit duties.

H. E. 13 Decr 1870. No 1092

Ordered to be communicated to the British Resident at Hydrabad with reference to his Offg 2nd Assistant's letter dated 25th July 1870,

No

2. The Govt are of opinion that so far as the requirement of covering passes is concerned the proposal of H. H. the Nizam's Minister is entitled to all consideration and the Board of Revenue will accordingly instruct the Collectors of the Districts adjoining the Hydrabad territory, to notify for the information of all concerned that the production of such passes will be required in the Nizams territory in the case of all goods intended to

to be carried through that territory from one British district to another and that they may be obtained on application to the Salug officers at the Kusbahs nearest to the frontier through which the goods may pass before entering Hydrabad limits. The Notification should also explain that this pass will be taken by the Nizams Customs officers who will give in lieu of it a corresponding pass to cover the goods on transit

which

which pass will have
to be given up on quit-
ting Hydrabad territory,
but will clear the
goods from all charges.

3. The Collectors should
at once furnish the Taluq
Officers with a form of
pass to be used, speci-
fying the particulars
required by the Nizam's
Officers, and having a
counterfoil for retention
in the Taluqs, and
printed copies in books
should be supplied
for

for use as speedily as
possible. The form
should be like that of
a cheque book, and
each pass and counter-
foil should bear a
serial number.

4. The Govt do
not very clearly under-
stand the intention
of the Ministers' pro-
posal in regard to
the duty (Nizam's)
levable on goods which
may be surreptitiously
disposed

disposed of while in transit, but if it is intended that such duty should be realised for the Hyderabad State by the British authorities from the owners of the goods, then the proposal is one which this Govt cannot entertain

14 Feb 1896 Pol Dept 18

2K

Encl.
Transit duties on
Fire Sea Coal etc
with the Nizam's Ter-
ritories Bdg. in
Bottle Mkd. Kamth

Rev: Dept
17th March 71.

No. 463-

To The Resident at
Hyderabad.

Sir

I am directed to
acknowledge the receipt
of your Offg. 2nd Assistant's
letter dated 23rd July 1870
No. 2200, communicating
for the consideration
and approval of this
Govt, certain proposals
made by His Highness
the Nizam's Ministers,
in view to putting
a stop to complaints
in connection with
the levy of transit duties
by

Copies Received

A/P. 105

Send with for a
list of articles
liable & not liable when
imported that H. H.
sanction for exemption

2K

No. 211 of 12

2K

No. 4

Transit duties on
Fire Stone from the
Nizam's Territories
to Bombay
Political Resident

No. 211 of 12

3 Copies Despatched

Rev. Dept.

2 Encl

17th March 1871.

No. 463-

To The Resident at
Hyderabad.

Sir

I am directed to
acknowledge the receipt
of your Off. 2nd Assistant's
letter dated 23rd July 1870
No. 2280, communicating
for the consideration
and approval of this
Govt, certain proposals
made by His Highness
the Nizam's Ministers,
in view to putting
a stop to complaints
in connection with
the levy of transit duties
by

No
A/S
105

Should ask for a
list of articles
liable & not liable when
in transit but H.H.
cautioned for guidance of Collectors

by the Nizam's authorities on goods passing through His Highness' territories from one British district to another.

2. Lastly, I am directed to forward the accompanying Pr. of this Govt embodying the report received on the subject explaining the extent to which H.E. the Governor in Council is prepared to assent to the proposal made.

15

Govt. of {1871} Madras.

REVENUE.

To

THE BOARD OF REVENUE.

Dated March 17th.

Recd. Date.

G. O., 17th March 1871, No. 462.

MARCH.

Nos. 211-212.

Merchandize passing from one British district to another through Nizam's territories. —Proceedings Board of Revenue, regarding the provision of Passports to protect it from transit duties, ordered to be communicated to the Resident.

Govt. of {1871} Madras.

REVENUE.

To

THE BOARD OF REVENUE.

Dated March 17th.

Recd. Mar.

G. O., 17th March 1871, No. 462.

MARCH.

Nos. 211-212.

Merchandize passing from one British district to another through Nizam's territories. —Proceedings Board of Revenue, regarding the provision of Passports to protect it from transit duties, ordered to be communicated to the Resident.