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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

..... *Rev.* DEPARTMENT

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Not to be folded or rounded

CONFIDENTIAL.

REVENUE DEPARTMENT,
FORT ST. GEORGE,
16th January 1874.

No. 69.

No. 132.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

Separate Revenue, No. 6.

Customs.

SIR,—In reply to your reminder requesting an early reply to your letter, 4th October last, No. 3,436, I am directed to state that the Customs' Authorities at this port have not as yet

reported any seizures of opium smuggled from Madras to British Burmah. Information was, however, lately received that a quantity of opium had been consigned to Rangoon on one of the British India Steam Navigation Company's Steamers, concealed in certain casks of potatoes, and that both the Commander and Steward were parties to the fraud. A telegram was immediately sent to the Chief Officer of Customs, Rangoon, to search the vessel on her arrival; and the result, when known, will be duly communicated to the Government of India.

2. Meanwhile, it would appear that there is some, probably considerable, smuggling of opium from this Presidency to Ceylon. The cases which have recently come to light are these:—

No. I.—The dhony, or native sloop *Annalaskshmi*, which plies between Ceylon and Madras, is found to have landed 84 purses of opium, value Rs. 18,860, at Point Pedro in Ceylon in July 1872. The Collector of Madras, on the vessel revisiting this port in July last, fined the Tindal 1,000 Rupees, confiscated certain cargo that had been landed, and passed sentence on the absent owner of the sloop for a fine of Rupees 56,000, being about three times the value of the opium. (Section 24, Act VI. of 1863.)

No. II.—Another dhony, belonging to the same port in Ceylon, was found about the same time to have conveyed opium thither from Madras, to the value of about 20,000 Rupees. As in the first case, the Collector here sentenced the consignees and Tindal to large fines, confiscating the vessel.

No. III.—The proceedings in these two cases have led the smugglers to change their plans. The opium is now purchased in Madras and carried by land to some small port further south. In this way in September and October last, 103 purses of opium, valued at upwards of Rupees 25,000, were taken to Tondy, a port in the district of Madura, and thence shipped to 'Valuettooray,' a port subordinate to Jaffna. The Collector recorded a sentence of 77,000 Rupees fine against the consignee.

3. Some of the parties at Point Pedro having petitioned the Government of Ceylon to intervene in their behalf, the application was referred to the Principal Collector of the Colony. It would appear from his report that the trade is quite an established branch of the intercourse between the two countries. "The practice originally was to have the opium removed to Pondicherry and there put on board dhonies coming to Ceylon, but latterly the persons engaged in the trade have become bolder, and now have the opium put on board clandestinely at the

British ports in India. It would seem that all parties are aware of the illegality of this proceeding, for it is admitted that very high freight is demanded and paid for opium shipments. But when once clear of the Madras ports they have felt themselves safe, as on arriving here the master of the vessel has simply to report the opium on his inward manifest as 'not in the clearance' to prevent its seizure; and the low rate of Import duty, 50 cents per pound, offers no inducement to smuggle it here."

4. The Ceylon Government having forwarded these papers and invited the attention of the Governor in Council to the matter therein discussed, which included a suggestion by the Principal Collector that the seizure of vessel and cargo was a harsh and inexpedient measure, His Excellency in Council replied that as there was a suit in the High Court against one of the Collector's confiscations, and an appeal before the Board of Revenue in another, it would be necessary to await the issue in these cases before determining whether any mitigation of the penalty could be properly allowed; and inquiry was made whether the Government of Ceylon would consent to refuse admission to opium from India when illicitly exported. No reply has been received up to the present date. Copies of the correspondence are enclosed.

5. When the records of the several cases come finally before this Government, it may possibly appear desirable not only to affirm the confiscations that have taken place, but to take steps to levy in Ceylon the fines awarded against parties resident there; but, before moving in this direction, the papers would of course be referred for the opinion of the Law Officers of Government, who would advise generally on the proper course.

I have the honour to be,

Sir,

Your most obedient servant,

(Signed) D. F. CARMICHAEL,
Secretary to Government.

—
P.S.—Since the above was written (*vide* paragraph 1 *supra*) a telegram has been received from Rangoon by the Collector here—"No opium found." The watch however will not be relaxed.

Agriculture 1874 Department.

From

Government of Fort St. George.

D.

R.

No. 69.
Enclosures.
spare copies.

D. No.

Progs-

L. No.

No

Replying to letter, No. 3,436, of 4th October 1873, relating to the smuggling of opium.

To the Secy Govt of India
Financial Dept.

Sir
In reply to your ~~reference~~ reminder
requesting an early reply to your letter
of 2 Oct last No 3436, I am directed
to state that the Customs Authorities
at this Port have not as yet reported
any seizures of opium smuggled
from Madras to British ^{Burmah} ~~India~~.
Information was however lately
received that a quantity of opium
had been consigned to Rangoon on
one of the B. T. S. N. Company's
Steamers, concealed in certain casks
of potatoes, and that both the
Commander & Steward were parties
to the ~~transaction~~ fraud. A tele-
gram was immediately sent to the
Chief Officer of Customs, Rangoon,
to search the vessel on her arrival; and
the result, when known, will be duly
communicated to the Govt of India.
Meanwhile, it will appear that
that there is some - probably considerable -
smuggling of opium from this
Port. The cases will
be brought to light are then:-

No 1. The dhoney, or
native ship "Annalakshmi",
which plies between Ceylon & Madras,
is found to have landed 84 parcels of
Opium, value Rs 18,360, at Port Pedro
in Ceylon in July 1872. The Collector of
Madras, on the vessel revisiting his
Port in July last, fined the Tindal
1000 Rs., confiscated certain cargo
that had been landed, and passed
sentence on the absent owner of the
ship, for a fine of Rs 56000, being
about three times the value of the Opium.
(Sect 24 Act VI of 1863)

No II. Another dhoney, belonging to
the same port in Ceylon, was found
about the same time to have conveyed
opium thence from Madras, to the value
of about 20,000 Rs. As in the first case,
the Collector has sentenced the consignees,
to large fines, confiscating the vessel.

No III. The proceedings in these two cases
have led the smugglers to change their
plans. The opium is now purchased
in Madras & carried by land to some
small port further south. In this way
between 1st October last, 100 parcels
of opium worth Rs 25000

were taken to Tondy, a port
in the district of Madras & thence
shipped to "Valumbtooray" a port
subordinate to Jaffna. The Collector
recorded a sentence of 77000 Rs fine
against the absent consignee.

2. Some of the parties at Port Pedro
having petitioned the Govt of Ceylon
to interfere in their behalf, the application
was referred to the Principal Collector
of the Colony. It would appear from his
report that the trade is quite an estab-
lished branch of the intercourse between
the two countries. "The practice originally
was to have the opium removed to Pon-
dicherry & there put on board dhonies
coming to Ceylon, but lately the persons
engaged in the trade have become bolder,
"now have the opium put on board
"clandestinely at the British ports in
"India. It would seem that all parties
"are aware of the illegality of this proceed-
"ing, for it is admitted that very high
"freight is demanded & paid for Opium
"shipments. But when once clear of the
"Madras ports, they have felt themselves
"safe, as on arriving here the master of the
"vessel has simply to report the opium on
"his inward manifest as "not in the
"clearance" to prevent its seizure; & the con-

"offer no inducement to smuggle at
here".

4. The Ceylon Govt. has forwarded these
papers & invited the attention of the
Govt. in C. to the matter herein discussed,
which included a suggestion by the Prin-
cipal Collr. that the seizure of vessels &
Cargo was a harsh & unexpedient measure.
H. E. Esq. replied that there was a suit
in the High Ct. against one of the Collr's con-
fiscations & an appeal before the H. E. Res-
ident in another, ~~and that~~ it was necessary
await the issue in these cases before deter-
mining whether any mitigation of the penalty
could be properly allowed; and inquiry was
made whether the Govt. of Ceylon was concerned
to refuse admission to opium from India
when illicitly exported. No reply has
been recd. up to the present date. Copies of
the correspondence are enclosed.

5. When the records of the several cases
come finally before this Govt., it may possibly
appear desirable not only to affirm the
confiscations that have taken place, but to
take steps to levy in Ceylon the fines award-
ed against parties resident there; but before
moving in this direction, the papers will of course
be referred for the opinion of the Law Officers of
Govt., ~~at Ceylon~~ who will advise generally on
the proper course.

L.V. - Jan 29/73

Y. C. of the
Office of the
1874

R. D.
16 January 1874

Special Agent

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