(1) Number of pages 16

(2) Date of repair 22.5.89

(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No. / B.P. No:	1290	Press. / Mis.
Dated	12.8.1878	197 .

Not to be folded or roughly handled

Archives I—5,806—24-2-78.

CONFIDENTIAL.

129 C
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GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

12th August 1878, No. 1,290.

Read the following papers:—

No. 162. From A. O. HUME, Esq., C.B., Secretary to the Government of India, Department of Revenue, Agriculture, and Commerce, (Customs,) to C. G. MASTER, Esq., Secretary to the Government of Madras, Revenue Department, dated Simla, 28th June 1878, No. 65, (Confidential).

In forwarding copy of the marginally-noted Despatches* from the Secretary of State on the subject of the proposed exemption of shirtings, long-cloths, and chudders, from the payment in India of import duties, I am directed to request that, with the permission of His Grace the Governor in Council, you will be good enough to obtain for the Government of India, with the least possible delay, returns from the Collector of Customs at Madras showing the effect of the Notification No. 43 (Sea Customs), dated the 18th March last, so far as regards cotton piece-goods and twist.

* No. 72, dated the 18th April 1878, and enclosure.
No. 95, dated the 16th May 1878, and enclosure.

2. These returns should relate only to the port of Madras, and should give in such detail as may be available,—the weights of the piece-goods and twist which have been passed under the Notification free of duty during the months of April and May last. The Collector should append to his statement an explanatory Memorandum indicating in what manner and to what extent the Notification has affected the trade of the port generally; whether, for instance, the import of the exempted class of goods has been stimulated, and whether this has been at the expense of the trade in finer goods not exempted, or whether the trade in these finer goods has not been affected. It should also be stated whether there has been any practical difficulty in carrying out the exemption, and whether it has given rise to disputes to any important extent.

3. I am further to add that the Governor-General in Council will be glad to be furnished with the opinion of the Customs Authorities and of traders as to the expediency of extending the exemption to all grey cotton piece-goods,—unmixed with foreign substances, as size, &c., not containing yarn finer than 30 S.,—and to *chudders* made from yarn of Nos. 20 to 24, as well as with reference to the probable financial effect of extending the exemption to these classes of goods.

4. It is requested that this reference may receive early attention.

ENCLOSURE No. 1.

Despatch from the Right Honorable the Secretary of State for India, to His Excellency the Right Honorable the Governor-General of India in Council, dated India Office, London, 18th April 1878, No. 72, (Statistics and Commerce).

I TRANSMIT, for the consideration of your Excellency, a copy of a letter, dated 27th March 1878, (with its enclosure) received from the Manchester Chamber of Commerce, referring to the alterations, announced by telegraph, in the tariff of duties chargeable on imports into India, and urging that in addition to the goods specified by your Government as those to be admitted free, shirtings and long-cloths made from the same yarns as T-cloths, jeans, domestics, sheetings, and drills, and differing from some of these articles only in width, length and name, should also be exempted from duty.

2. I request that I may be furnished with the views of your Excellency in Council on this question at your early convenience.

From THOMAS BROWNING, Esq., Secretary to the Chamber of Commerce, to HORACE WALPOLE, Esq., India Office, dated Manchester, 27th March 1878.

I HAVE the honor to acknowledge receipt of your letter of yesterday, in which the Chamber is informed that Lord Salisbury is not in possession of information more specific as to the particular goods and yarns which in future are to be admitted into India duty free than that contained in the telegrams which have appeared in the public Press.

2. I am to state that the Chamber has been informed by telegraph, from Calcutta, that it is the intention of the Government of India to limit the exemption from duty strictly to goods and yarns named in the published reports. The Directors are of opinion that such a limitation will fail to secure the obvious intention of the Government, and I have been directed to forward to Lord Salisbury the annexed copy of Resolution passed unanimously at a Meeting of the Board held this morning.

3. The views contained in the Resolution have been arrived at after careful consideration; and they are respectfully and earnestly commended to the attention of His Lordship, the limitation as it now stands having greatly perplexed both manufacturers and merchants in their operations.

4. I am further instructed to say that if it be the desire of Lord Salisbury to have practical evidence in support of the position taken by the Directors in the Resolution, a small deputation from their number will be happy to wait upon him with that object at any time he may appoint.

COPY of Resolution passed at a Meeting of the Board of Directors of the Manchester Chamber of Commerce, held Wednesday, March 27th, 1878.

THE Directors of the Manchester Chamber of Commerce regard the action of the Government of India, in exempting coarse yarns and goods from Import Duty as a first step towards the complete abolition of the duties, which they hope soon to see accomplished.

2. As the Government of India has selected to proceed towards the contemplated end by partial exemption, rather than by affording general relief, with the avowed object of removing the protective incidence of the duties on the particular goods and yarns which the Indian Mills, by reason of their natural advantages, are suited to produce, it is obvious that the list of free goods requires to be materially added to.

3. The exemption is extended, in the first place, to goods containing no yarns finer than 30 S., such as can economically be spun by the Indian Mills, from Indian grown cotton, but then a limitation is added, and the only goods which are to be admitted free are T-cloths under 18 reed, jeans, domestics, sheeting, and drills.

4. Shirtings and long-cloths, for instance, although they be made from 30 S. and coarse yarns such as are spun in India, precisely the same in texture as T-cloths, and differing therefrom in width, length, and name only, remain subject to the import.

5. In the case of yarns, the objection to the fixed limits of the free list is even stronger; they are 20 S. water and 30 S. mule, whilst, as is well known, a great portion of yarn shipped to India, up to 24 S. water and 40 S. mule, both inclusive, is spun from cotton grown in India.

6. In view of the foregoing, it is resolved, to urge upon Her Majesty's Chief Secretary of State for India, the desirableness of simplifying those provisions of the new Indian Budget that affect manufactured cotton, by exempting from duty all goods made from yarns not finer than 30 S. and all yarn up to 26 S. water and 42 mule.

ENCLOSURE No. 2.

Despatch from the Right Honorable the Secretary of State for India, to His Excellency the Right Honorable the Governor-General of India in Council, dated India Office, London, 16th May 1878, No. 95, (Statistics and Commerce).

IN continuation of my despatch, dated the 18th of April, No. 72, I transmit, for the information of your Excellency, a copy of a letter, dated the 8th instant, from Messrs. Tamvaco, Micrulachi, and Mavrogordato, of Manchester, complaining that "Chudders" are subjected to a duty of five per cent. on importation into India, although made from yarn of Nos. 20 to 24.

2. I shall be glad to receive an early report on this subject, in addition to the other points connected with the Tariff to which I have already drawn your attention.

From Messrs. TAMVACO, MICRULACHI, and MAVROGORDATO, to the Right Honorable the VISCOUNT CRANBROOK, &c., &c., &c., Secretary of State for India, London, dated Manchester, 8th May 1878.

IN the Gazette Extraordinary, under date March 18th last, exemption from duty is conceded to goods containing no yarns finer than No. 30 S., but then a limitation is applied admitting only T-cloths, domestics, jeans, sheetings, and drills "as shown to the satisfaction of the Customs Collector containing no yarn higher than No. 30 S."

2. We venture to bring under your Lordship's attention the practical operation of this enactment, which while it would appear to be the intention to exempt, as in the foregoing paragraph, goods containing yarns not finer than 30 S., yet in the experience of our Indian shipments we are subjected on "chudders," meaning in India sheets or sheetings to the original duty of 5 per cent. The quality of these goods is within the limit of No. 30 S. yarn, and which are really made by our manufacturers of No. 20 S. to 24 S.

3. We have been engaged in the supply of these goods to suit the Indian consumer, and the sample or pattern supplied to us is cloth manufactured by the mills in India, this cloth being really one of the chief articles on which the Indian mills are engaged.

4. Your Lordship in this case will be supplied with an example of the working of the enactment, defeating what it is fair to presume was the main intention of the Legislative Council of India, viz., to remove the protective duty on cotton goods, the special manufacture of India, and which duty has hitherto precluded from import the same class of goods exported from this country. Nor is this by any means the only example of the exclusion from the benefit of the enactment of goods manufactured from yarn not exceeding No. 30 S., but it will serve to exemplify the disappointment experienced by the exporters of cotton goods in assuming a concession to have been made by the Government of a portion at least of their claim to a fair market for their manufactures with their fellow-subjects in India. In the case to which we have drawn your Lordship's attention, we declared the goods "chudders" as exempted from duty; but the Customs Collector ultimately adhered to his original decision of imposing the ordinary duty of 5 per cent. which our firm, Tamvaco & Co., Calcutta, reluctantly paid but under protest. As the result the necessity is imposed of withholding further shipments of this class of goods, since, with the protection of 5 per cent., it is impossible to compete with the Indian manufacture.

5. We are aware that in appealing to your Lordship the subject must necessarily be referred, in the first place, to His Excellency the Viceroy of India in Council, and we hope that in your Lordship's estimation as affecting our Indian trade, the question arising will be held to be of sufficient importance for this purpose, and that we have not unduly trespassed on your Lordship's attention in bringing it under notice as the unsatisfactory effect of the recent legislation.

COMMUNICATED to the Board of Revenue (in original) for the submission of the returns and information called for by the Government of India.

OOTACAMUND,
6th July 1878.

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

No. 163. Proceedings of the Board of Revenue, dated 8th August 1878, Miscellaneous No. 8,112.

Read Endorsement of the Secretary to Government, Revenue Department, dated 6th July 1878.

ABSTRACT.—Communicating to the Board for report letter from Government of India relating to the proposed exemption of shirtings, long-cloths, and chudders, from the payment of import duties, &c.

COMMUNICATED to the Collector of Sea Customs, Madras, who will furnish the returns and explanatory Memorandum called for in paragraphs 1 and 2 of the letter

from the Government of India, and report, with reference to paragraph 3, after consulting the Chamber of Commerce and principal merchants engaged in the trade.

(True Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

No. 164. ORDER THEREON, 12th August 1878, No. 1,290.

Separate Revenue, No. 16.
Customs.

RECORDED.

(True Extract.)

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

To the Board of Revenue.

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Copy

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4.

Chamber of Commerce
Manchester,
27th March 1878

To

Horace Walpole, Esquire
India Office.

Sir,

I have the honour to acknowledge
receipt of your letter of yesterday, in which
the Chamber is informed that Lord Salisbury
is not in possession of information more
specific as to the particular goods and yarns
which in future are to be admitted into
India duty free, than that contained in
the telegrams which have appeared in
the public press. -

I am to state that the Chamber
has been informed by telegraph, from
Calcutta, that it is the intention of the
Government of India to limit the
exemption from duty strictly to goods
and

Original

Copy.

Govt. of India.

REVENUE.

To

The BOARD of REVENUE.

Dated August 1878.

Printed 1878 September.

Read.

Ref.

AUGUST.
Nos. 102—103.

Short Title.—Long Title and Preamble.—Recording Proceedings of the Board of Revenue concerning the Collector of Sea Customs, Madras, with Extracts and Observations relating to the proposed exemption of — from the payment of import duties, &c.

and yarns named in the published reports. The Directors are of opinion that such a limitation will fail to secure the obvious intention of the Government, and I have been directed to forward to Lord Salisbury the annexed copy of Resolution, passed unanimously at a Meeting of the Board held this morning.—

The views contained in the Resolution have been arrived at after careful consideration and they are respectfully and earnestly commended to the attention of His Lordship, the limitation as it now stands having greatly perplexed both manufacturers and Merchants in their operations.—

I am further instructed to say, that if it be the desire of Lord Salisbury to have practical evidence in support of the position taken by the Directors

in the Resolution, a small deputation from their number will be happy to wait upon him with that object at any time he may appoint.—

I have &c.

by Thos. Browning

Secretary

Copy of Resolution passed at a Meeting of the Board of Directors of the Manchester Chamber of Commerce, held on Wednesday, March 27th, 1878.

196
1876

The Directors of the Manchester Chamber of Commerce regard the action of the Government of India, in exempting coarse yarns and goods from Import Duty as a first step towards the complete abolition of the duties, which they hope soon to see accomplished:

As the Government of India has selected to proceed towards the contemplated end by partial exemption, rather than by affording general relief, with the avowed object of removing the protective incidence of the duties on the particular goods and yarns which the Indian Mills, by reason of their natural advantages, are suited to produce, it is obvious that the list of free goods requires to be materially added to.

The exemption is extended, in the first place, to goods containing no yarns finer than 30's such as can economically be spun by the Indian Mills, from Indian grown cotton, but then a limitation is added, and the only goods which are to be admitted

free

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. free are T cloths under 18 reed, jeans, Domest-
ics, sheeting, and Drills.

Shirtings and Longcloths, for instance, although they be made from 30s and coarse + yarns such as are spun in India, precisely the same in texture as T cloths, and differing therefrom in width, length, and name only, remain subject to the import.

In the case of yarns, the objection to the fixed limits of the free list is even + stronger, they are 20s water and 30s mule, + whilst, as is well known a great portion of yarns shipped to India, up to 24s water and 40s mule, both inclusive, is spun from Cotton grown in India.

In view of the foregoing, it is + resolved, to urge upon Her Majesty's Chief Secretary of State for India, the desirableness of simplifying those provisions of the new Indian Budget that affect Manufactured Cotton, by exempting from duty all goods made from yarns not finer than 30s, and all yarns up to 26s water and 42 Mule.

(True copies)

A. L. Wilson
Registrar.

No 95

India Office London, 1890/8

16th May 1878

To

His Excellency the Right Honorable
The Governor General of India in
Council

Statistics and Com.ce

My Lord,

In continuation of my despatch dated the 18th of April, No 72, I transmit, for the information of Your Excellency, a copy of a letter, dated the 8th instant, from messrs Tamvaco, Mucrulachie, and Mavrogordato, of Manchester, complaining that "Chudders" are subjected to a duty of five per cent on importation into India, although made from yarn of Nos 20 to 24.-

2. I shall be glad to receive an early report on this subject, in addition to the other points connected with the Tariff to which I have already drawn your

attention

attention.—

I have &c.,

(Signed) Cranbrook

Rec'd 28/3/78

Manchester 8th May 1878.

129
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To

The Right Honourable,
The Viscount Cranbrook
&c. &c. &c.
Secretary of State for India
London.

My Lord,

In the Gazette Extraordinary under date March 18th last, exemption from duty is conceded to goods containing no yarns finer than N° 30s, but then a limitation is applied admitting only T Clothes, Domestics, Jeans, Sheetings and drills "as shown to the "satisfaction of the Customs Collector con- "taining no yarns higher than N° 30s.

We venture to bring under your Lordships attention the practical operation of this enactment, which while it would appear to be the intention to exempt as in the foregoing paragraphs - goods contain- -ing yarns not finer than 30s yet in the experience of our Indian shipments we are subjected on "Chudders" - weaving in necessarily

India sheets or sheetings - to the original duty of 5%. The quality of these goods is within the limit of No. 30s yarn and which are really made by our manufacturers of No. 20s to 24s.

We have been engaged in the supply of these goods to suit the Indian consumer, and the sample or pattern supplied to us is cloth manufactured by the mills in India, this cloth being really one of the chief articles on which the Indian mills are engaged.

Your Lordship in this case will be supplied with an example of the working of the enactment defeating what it is fair to presume was the main intention of the Legislative Council of India, viz to remove the protective duty on Cotton goods the special manufacture of India, and on which duty has hitherto precluded from import the same class of goods exported from this country. Nor is this by any means the only example of the exclusion from the benefit of the enactment of goods manufactured from a yarn not exceeding No. 30s but it will serve to exemplify the disappointment experienced by the exporters of Cotton goods, in assuming a concession to have been made by the Government, of a portion at least of their claim to a fair market for their manufactures with their fellow subjects in India. In the case to which we have drawn your Lordships attention we declared the goods "Chudders" as exempt from duty; but the Customs Collector ultimately adhered to his original decision of imposing the ordinary duty of 5% which our firm Tamvaco & Co., Calcutta, reluctantly paid but under protest. As the result the necessity is imposed of withholding further shipments of this class of goods, since with the protection of 5% it is impossible to compete with the Indian manufacture.

We are aware that in appealing to your Lordship the subject must necessarily

necessarily be referred in the first place to His Excellency the Viceroy of India in Council and we hope that in your Lordships estimation as affecting our Indian Trade the question arising will be held to be of sufficient importance for this purpose and that we have not unduly trespassed on your Lordship's attention in bringing it under notice as the unsatisfactory effect of the recent legislation.

We have &c.

(Sd) Tamvaco, Micmlachi & Mavrogordato.

(True Copies.)

A. B. Wilson

Registrar,

Dept. of Rev. Agri. & Commerce.

Confidential.

No. 65. 1390/11

FROM

A. O. HUME, ESQUIRE, C.B.,

Secretary to the Government of India,

Department of Revenue,

Agriculture and Commerce,

TO

The Secretary to the Government of Madras.

Customs.

Simla, dated 28th June 1878.

SIR,

In forwarding copy of the marginally noted despatches* from the Secretary of State on the subject of the proposed exemption of Shirtings, long-cloths and chudders from the payment in India of import duties, I am directed to request that, with the permission of His Grace the Governor in Council, you will be good enough to obtain for the Government of India with the least possible delay, return from the Collector of Customs at Madras shewing the effect of the Notification No. 43 (Sea Customs) dated the 18th March last so far as regards Cotton piece-goods and twist.-

* No. 72 of the 18th April 1878 and Enclos: / No. 95 of the 16th May 1878

2.

2. These returns should relate only to the port of Madras and should give in such detail as may be available, the weights of the piece-goods and twist, which have been passed under the notification free of duty during the months April and May last. The Collector should append to his statement an explanatory Memorandum indicating in what manner and to what extent the Notification has affected the trade of the port generally; whether, for instance, the import of the exempted class of goods has been stimulated, and whether this has been at the expense of the trade in finer goods not exempted, or whether the trade in these finer goods has not been affected. It should also be stated whether there has been any practical difficulty in carrying out the exemption and whether it has given rise to disputes to any important extent.

3. I am further to add that the Governor General in Council will be glad to be furnished with the opinion of the Customs authorities and of traders as to the expediency of extending the exemption to all grey cotton piece-goods, unmixed with foreign substances, as size, &ca, not containing yarn finer than 30s, and to Chudders made from yarn of No. 20 to 24 as well as with reference to the probable financial effect of extending the exemption to these classes of goods.

4. It is requested that this reference may receive early attention.

I have the honour to be,
Sir,
Your most obedient Servant,

C A Henne

Secretary to the Govt. of India.

No 2893

Revenue 1678 Department

From

The Secretary to the
Govt of India
Depty Rs Agrs and Comrs

Dated 28 June
Rcvd 6 July 3 1878 No 65

&c &c No 1290 - 12 August 1878

Forwarding copies of despatches from the Secy of State relating to the proposed exemption from payment of import duties and requesting information on the effect of the Notification No 43 dated 18 March last so far as regards Cotton piece-goods and twists also requesting to be furnished with the opinion of the Customs authorities and of Traders as to the expediency of extending the exemption to all grey cotton piece-goods unmixed with foreign substances &c

Communicated

Received 8 July 1878
Entered & Returned 8 July 1878

Communicated to the Board of Revenue (on original) for the submission of the Returns and information called for by the Govt of India.

[illegible]
Secretary to Govt

Communicated
6 July 1878

India Office,
London, 18th April 1878.

1290
13

Statistics and Commerce.
No 72.

To

His Excellency
The Right Honourable
The governor General of India
in Council

My Lord,

I transmit, for the consideration of your Excellency, a copy of a letter (with its enclosure) received from the Manchester Chamber of Commerce, referring to the alterations announced by telegraph in the tariff of duties chargeable on imports into India and urging that in addition to the goods specified by your Government as those to be admitted free, shirtings and — longcloths made from the same yarns as T. cloths, jeans, domestics, sheetings and drills, and differing from some of these articles only in width, length and

and

dated 27th 1878.

† will follow

† Papers sent to Secy of State in Council & Chamber of Commerce

1290
14

and name should also be exempted from duty.

2. I request that I may be furnished with the views of your Excellency in Council on this question at your early convenience.

I have &c
(Sd) Gathorne Hardy.

Rec 31 Oct 78.

Rev: Department

No: 8112. 127

Proceedings of the Board of Revenue.

Dated 8th August 1878.

Read Endorsement of the Secretary to Government Rev: Depart. of 6th July 1878, communicating to the Board for return a letter from Govt of India relating to the proposed exemption of Shirtings, long cloths & Shaddars from the payment of import duties &c

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Comm: to the Collector of Sea Customs Madras who will furnish the returns & Explanatory Memorandum called for in paras 1 and 2 of the letter from the Govt of India & report with reference to para 3 after consulting the Chamber of Commerce & principal merchants engaged in the trade.

/True Extract/
(Sd) C. A. Galton
Asst Secretary.

To The Collector of Sea Customs Madras.

/True copy/

Asst Secretary

To The Secretary to Government R.D.
with orig: letter & Encls returned

not Encl
file

Rev: Dept
No: 8112
Dated 8th August 1878

Commd to the Collr of Sea Customs Madras
in regard to exemption of Cotton Piece Goods
from the payment of Import duties.

Copy

Rec'd 13th August 1878
Entered & Returned 14th August

Clerks
Assistants

Rec'd 10th Aug 1878
Read 14th Aug 1878

To the Secretary to Government Rev: Dept

Sir,

I have the honor to acknowledge the receipt of your letter No: 2112 dated 6th July 1878 forwarding a copy of a letter from the Secretary to the Government of India, Finance Department, No: 2093 dated 28th June 1878 on the subject of the proposed exemption of Shirtings, long cloths and Shaddars from the payment of import duties.

2. In reply I have the honor to state that I will furnish the returns called for in paragraphs 1 and 2 of the letter from the Government of India, and report with reference to paragraph 3 after consulting the Chamber of Commerce and principal merchants engaged in the trade.

I have &c

(Sd) W. Elliot
for Collector

Received 14th August 1878
Entered & Returned 14th August

(Sd) C. A. Galton
for Secretary

Revenue 1878 depth

No 3478

Proceedings of the

Board of Revenue

Dated 8 August/78.

Rec'd. 9 do

Comp to Coll.r of the
Customs Madras, Endorsement
of the Revenue Comp to Govt.
relating to the proposed
exemption of shirtings,
long cloths and shoulders
from the payment of import
duties &c, who will furnish
the returns & explanatory
memo desired with reference
to para 3. of the Govt.
of India letter &c 1890

Recorded

1 Rev. Board Proceedings Sept 1878

4002/78.