M.R.O. 14-5,450—22-10-25.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1026-27 Press ~~Mis.~~

93-92-93.

Dated 7—5— 1867.

Not to be folded or roughly handled

No. 91. Read the following Proceedings of the Board of Revenue, dated 22nd April 1867 :—

Read the following letters :—

From the Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 13th March 1867, No. 252.

1. I have the honour to propose certain alterations in the method of examining goods in the Custom House.

2. While at Calcutta, I made enquiries in the Custom House, and from the Commissioner of Customs, Bombay, who was a Member of the Tariff Committee, as to their practice, and found a material difference from ours.

3. Here in practice there is almost no examination of goods, three or four boxes only are opened daily, such as cases of miscellaneous articles, or jewellery, those belonging to private individuals, or traders who have no invoices or papers, and do not know what the contents are; and sometimes if the Appraiser doubts the valuation given in an invoice, he orders a case to be opened, but this is very rarely done. As a general rule all bales, cases for the trade, are passed on their invoices; it is taken for granted that the contents are correct, and correspond with the invoice and samples, in quantity, quality, and value, and no examination is made.

4. In Calcutta and Bombay, on the contrary, every consignment of goods that passes through the Custom House is opened and examined at the rates of two to ten per cent. Some descriptions of goods are all examined, such as jewellery, watches, bijouterie, plate, &c., and there is no doubt that their practice is the correct one. Under our system, silks may be passed as cotton, small articles may be packed in cases, and passed without being entered at all, and in fact there is almost no chance of discovery.

5. Another advantage of opening part of every consignment is, that the Appraiser can appraise goods much more easily and correctly. It is very difficult for him to value goods, simply on an invoice, or even samples; the invoice may be a *cooked* one, as the trade call it, and the samples sent to the Custom House may not be equal in quality to the goods; nothing but actual examination is satisfactory; and as it is the practice in Calcutta and Bombay, the trade here cannot object to it.

6. I have not the slightest doubt that Government is largely interested in the proposed changes, and that a considerable increase of revenue will result from their introduction. If the Board sanction them, an increase* to the Appraiser's Department will be absolutely necessary, and some little expense must be incurred in fitting up one of the lower rooms of the Custom House for examination of goods.

* Increase required.
Assistant Appraiser.
Do. Cooper for opening cases, &c.
Two Peons to assist and watch in examining room.

7. There is another point I wish to press on the Board's notice, that at present if Mr. Shaw, the Appraiser, is absent on leave, his work is done by Mr. Atkinson, the Deputy Collector, who was formerly Appraiser. In the event of Mr. Atkinson leaving the Custom House, there is absolutely no one else who can appraise goods, and if Mr. Shaw was obliged to be absent, the business of the Custom House would be at a stand-still, for want of a competent Appraiser. The office requires a man thoroughly honest and competent, and I strongly recommend that the Assistant Appraiser should be a well-paid officer on 250 or 200 Rupees a

month, who might take Mr. Shaw's place on his promotion or retirement. In Calcutta the Appraiser's Department is highly paid from 700 to 200 Rupees, and I should like to offer the appointment to one of the Junior Appraisers there, as he would have some practical experience of the work as carried on in that Custom House.

From the same Officer, dated Madras, 27th March 1867, No. 307.

1. My letter to the Board, No. 252 of the 13th instant. I have the honour to forward, for the sanction of the Government of India, a Tabular Statement of the establishment proposed by me for the Appraiser's Department of this Office.

2. On re-consideration, I am of opinion that the extra establishment entered in the Statement is required, instead of that shewn in my letter* to the Board above quoted.

* Paragraph 6.

From the same Officer, dated Madras, 13th April 1867, No. 384.

Board's Official Memorandum No. 409, dated 10th instant. I have the honour to submit a revised Tabular Statement with the necessary entries made therein.

1. Resolved that the foregoing letters be submitted to Government, with the Board's recommendation that the increase of establishment sought for may be sanctioned.

2. The Board quite concur with Mr. Blair that the practice which is reported to be in force at Calcutta and Bombay, of examining a certain per-centage of all goods passed through the Custom House, should be adopted at Madras. It is obvious that under the present system the dishonest trader has great facilities for fraud, and there is every reason to suppose that the annual loss to the Imperial Revenue under such a system must be by no means inconsiderable.

3. The Board consider that the proposed additional establishment to the Appraiser's Department is moderate. They observe that the Collector remarks in his Tabular Statement herewith submitted, that the recent reduction in the number of dutiable goods will not enable him to make any reductions in his present establishment.

No. 92. ORDER THEREON, 7th May 1867, No. 1,026.

Separate Revenue, No. 4.
Customs.

1. The Government approve the adoption at Madras of the system in force at Calcutta and Bombay in regard to examining goods, and consider the proposed addition to the Customs House Establishment to be very moderate.

2. Application will be made to the Supreme Government for sanction for its employment.

(True Extract.)

(Signed) W. HUDLESTON,
Secretary to Government.

To the Board of Revenue.

Exd. S. T. Augustin.

REVENUE DEPARTMENT.
FORT SAINT GEORGE,
7th May 1867.

No. 1,027.

No. 93.
To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

Separate Revenue, No. 5.
Customs.

From Collector of Sea Customs, to Board of Revenue, dated 13th March 1867, No. 252.
From do. to do. dated 27th March 1867, No. 307.
Procs. of the Board, dated 22nd April 1867.
Do. of Govt., dated 7th May 1867, No. 1,026.

1. I am directed to forward herewith, for submission to the Government of India, an application in the prescribed form for an increase to the Establishment of the Collector of Sea Customs at Madras, together with the correspondence on the subject noted in the margin.

2. Mr. Blair, the Collector of Sea Customs, who was lately deputed to Calcutta as a Member of the Tariff Committee, observed that in the Customs House there, from two to ten per cent. of every consignment of goods that passes through it is opened and examined, while under the long standing practice in the Madras Customs House, all bales and cases are passed on the Invoices as a general rule, taking it for granted that the contents correspond with the Invoices and samples in quantity, quality, and value. Mr. Blair ascertained that the Calcutta system prevails in Bombay also, and there can be no doubt that it is the correct one.

3. As remarked by the Board of Revenue, the practice at present in force in the Madras Customs House must give great facilities to the dishonest trader for committing fraud, and may entail a material annual loss of revenue, and it is therefore proposed to adopt in the Customs House here the system in force at the other two Presidencies in regard to examining goods.

4. The change of practice will entail much additional work on the Appraiser's department, and the Government consider the increase of establishment proposed by Mr. Blair, and recommended by the Board of Revenue, at a cost of Rupees 346 per mensem, to be very moderate. I am to request the early sanction of the Government of India for the entertainment of these servants.

		Rs.
Assistant Appraiser...		300
1 Searcher		20
1 Cooper		12
2 Peons		14
Total ...		346

5. It will be observed that an additional ground for employing an Assistant Appraiser is thereby to secure the services of a duly qualified and trustworthy officer to take the place of the Appraiser himself during his occasional absence, or when he vacates the appointment. The duties of an Appraiser cannot be efficiently discharged except by persons who have had much experience in that line of business.

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

(Signed) W. HUDLESTON,
Secretary to Government.

Exd. S. T. Augustin.

REVENUE DEPARTMENT.—Statement of Increase to Establishment in this Department recommended for the sanction of the Government of India.

Year.	Revenue. Ordinary.	Revenue. Extra-ordinary.	Charges. Ordinary.	Charges. Extra-ordinary.	Total. Revenues.	Total. Charges.	Net. Surplus.	Net. Deficit.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	
1863-64	12,35,024	14,240	71,976	20,866	12,49,264	92,842	11,56,422	.....
1864-65	10,86,041	17,361	87,832	24,967	11,03,402	1,12,799	9,90,603	.....
1865-66	11,75,082	16,228	89,057	40,147	11,91,310	1,29,204	10,62,106	.....
1866-67	11,42,830	18,663	75,745	13,176	11,61,493	88,921	10,72,572	.....

No.	Date.	Extract from Home Department of Government of India.	Office to which the proposition refers.	Nature of Charge.	Present Scale.		Proposed Scale.		Proposition. Permanent. Increase per month.	Proposition. Permanent. Decrease per month.	Proposition. Temporary. Increase per month. Period.	Proposition. Temporary. Increase per month.	Proposition. Temporary. Decrease per month. Period.	Proposition. Temporary. Decrease per month.	Casual or Extraordinary.	Grounds of proposition.	Local Government's recommendation.	Orders of the Government of India. Home Department. Remarks.	Orders of the Government of India. Financial Department. Remarks.	Orders of the Government of India. Financial Department. Orders.
						Rs.		Rs.	Rs.	Rs. A. P.		Rs. A. P.		Rs. A. P.						
			Sea Customs House at Madras.	*Appraiser's Department.*			*Appraiser's Department.*									*Vide* letter to the Secretary to the Government of India, dated 7th May 1867, No. 1,027.	Favourable.			
				1 Appraiser		500	1 Appraiser	500												
				1 Clerk		70	1 Assistant do.	300												
				1 Do.		50	1 Clerk	70												
				1 Do.		25	1 Do.	50												
				1 Market Reporter		25	1 Do.	25												
				1 Cooper and Gauger		15	1 Market Reporter	20												
				3 Peons		21	1 Searcher	15												
				9		706	1 Cooper	12												
				176—Other departments not interfered with		3,521	1 Do.	35												
							5 Peons ...	1,052		346										
				185 Total ...		4,227	176—Other departments not interfered with	3,521												
							Total ...	4,573		316										

P. S.—No provision has been made for this expenditure in the Budget for 1867-68; it will be met from savings, but if none are likely to be available steps will be taken later in the year to provide fund either by transfer from other heads or by a supplemental grant.

(Signed) W. HUDLESTON,
Secretary to Government.

Fort Saint George,
7th May 1867.

Exd. S. T. Augustin.

No. 1

Extract from Home Department of Government of India

Year.	Revenue Ordinary	Revenue Extra-ordinary	Charges Ordinary	Total Charges Extra-ordinary	Total Revenues	Total Charges	Net Surplus	Net Deficit
	Rs.							
1863/64	12,35,024	14,240	71,976	20,866	12,49,264	92,842	11,56,422	
1864/65	10,86,041	17,361	87,832	24,967	11,03,402	1,12,799	9,90,603	
1865/66	11,75,082	16,228	89,057	110,117	11,91,310	129,204	10,62,106	
1866/67	11,42,830	18,663	75,745	13,176	11,61,493	88,921	10,72,572	

Nature of Charges.

1.	2.	3. Offices to which the proposed reductions refer.	4. Present Establishment.		5. Proposed Establishment.		Proposition. Permanent Decrease per Month.	Proposition. Temporary Decrease per Months.	8. Period	9.	10. Rate of Exchange	11. Rate of Exchange	12. Rate of Exchange	13. Grounds of Proposition	14. Local Government's Recommendation	15. Orders of the Government of India Home Dept.	16. Financial Department	17.
			No. of Hands	Rs.	No. of Hands	Rs.												
		Appraiser	1	500	Appraiser	1	500							To assist the Appraiser in opening, searching and examining Goods. Vide letter to the Board of Revenue No. 252 dated 13th March 1867.				
		Clerk	1	70	Do.	1	70											
		Do.	1	50	Clerk	1	70											
		Do.			Do.													
		Do.			Do.													
		Market Peon	1	25	Do.	1	25											
		Cooper & Guager	1	15	Market Peon	1	25											
		Peons	3	21	Sweeper	1	20											
			9	706	Cooper	1	15											
		General Department	25	1035	Do.	1	12											
		Inspections	5	305	Peons	6	35											
		Do.	9	290		44	1052											
		Cash	10	460	General Department	25	1035											
		Do.	12	330	Inspections	5	305											
		Import Gate	26	420	Cash	9	290											
		Export Gate	85	641	Import Gate	10	460											
		Do.	4	40	Export Gate	12	330											
		Office Servants			Do.	26	420											
		Boat Lascars			Office Servants	85	641											
					Boat Lascars	4	40											
			185	4227		190	4573											

Rs. 346

Other Departments. Stationery & Contingencies. Establishment. Peons. Bunder.

Note. The reduction in the Establishment is fearfully according to the reduced number of Articles liable to duty.

Sea Custom House
Madras 13th April 1867.

P.S. The proposition made for the reduction in the Establishment for the Export Gate will be modified if the proposed alteration in the Export Duty on Coffee is not carried into effect.

J. Hunter Blair
Collector Sea Customs

Dft. Letter of 13th May 1867

Vm Cruz Bo. 10 Mayo 1881

Recibí 7 de Mayo de 1881

REVENUE DEPARTMENT.—Statement of Inconnue Establishment in this Department recommended for the sanction of the Government of India.

Year.	Revenues		Charges		Total		Net	
	Ordinary.	Extra-ordinary.	Ordinary.	Extra-ordinary.	Revenues	Charges	Surplus	Deficit.
1863/64	1235024	14240	71976	20866	1249264	92842	1156422	
1864/65	1086041	17361	87232	24967	1103402	112799	990603	
1865/66	1176082	16228	89037	40147	1191810	129204	1062106	
1866/67	1142230	18663	78746	13176	1161493	88921	1072572	

Extract from Home Department of Government of India. No.	Date.	Office to which the proposition refers.	Nature of Charge. Present Scale.	RS.	A.	P.	Proposed Scale.	RS.	A.	P.	Proposition. Permanent. Increase per Month. RS.	A.	P.	Permanent. Decrease per Month. RS.	A.	P.	Temporary. Increase per Month. Period.	RS.	A.	P.	Temporary. Decrease per Month. Period.	RS.	A.	P.	Casual or Extraordinary.	Grounds of Proposition.	Local Government's Recommendation.	Orders of the Government of India. Home Department. Remarks.	Financial Department. Remarks.	Financial Department. Orders.
		Seer Customs Romarks Madras	Appraiser's Department.				Appraiser's Department.																						
			1 Appraiser	500	-	-	1 Appraiser	500	-	-																Vide letter No. 1 Secretary to the Government of India dy				
							1 Assistant Do	300	-	-																			
			1 Clerk	70	-	-	1 Clerk	70	-	-																			
			1 Do	50	-	-	1 Do	50	-	-																			
			1 Do	25	-	-	1 Do	15	-	-																			
			1 Market Reporter	25	-	-	1 Market Reporter	25	-	-																			
							1 Serrasher	15	-	-																			
			1 Coopers and Guagers	15	-	-	1 Coopers	12	-	-																			
							1 Do	8	-	-																			
			3 Peons	21	-	-	5 Peons	10	-	-																			
			9	706	-	-	14	346	-	-																			
			176 Other Depts not interfered with	3521	-	-	176 Other Depts not interfered with	3511																					
			185	Total	4227	-	-	190	Total	4513	-	-	346	-	-															

Fort St. George
May 1867.

P. S. No provision has been made for this expenditure in the Budget for 1867/68; it will be met from Savings but if none are likely to be available, steps will be taken later in the year to provide funds either by transfer from other Heads or by a supplemental grant.

Secretary to Govt.

* Favorable.

Rec'd 1867 - Wks
Nos of Govt Horse Keep 1864

Proceedings of the Board of Revenue

Dated 22d
Despatched 22d } April 1867
Received —

Enclosures: 4.5
No 4 Sheets No 3.

Recommending that sanction of Govt be granted for increased establishment applied for by Collector of Sea Customs, owing to certain alterations proposed in the method of examining goods in the Custom House.

No 1026-7 May

W. H. Smith

No 91-92.

© 25 April 1867 828

No 1026.

The Govt approve, subject to adoption of the system in force at Calcutta & Bombay in regard to examining goods, and consider the proposed additions to the Customs Establishment the very smallest.

Application will be made to the Supreme Govt for sanction for the employment.

It may be well, I consider, to get the opinion of the Chamber of Commerce before this change is made. It will cause delay and inconvenience, & will in excess of what the trade now experience and our merchants dread as they know to have produced cooked invoices - a dept appraiser is no doubt wanted - WDL The

7 May 67.

14 Copies Letter & Postage Rec'd 8th

Revenue Department
7th May 1867.

No 1027.

To

The Secretary to the
Government of India
Financial Department

Sir,

I am directed to forward herewith for submission to the Government of India, an application in the prescribed form for an increase to the establishment of the Collector of Sea Customs at Madras, together with the correspondence on the subject noted in the margin.

2 Mr Blair, the Collector of Sea Customs, who

From Coll^r of Sea Customs to Board of Rev^e, dated 13th March 1867 No 252.
From D^o to D^o, dated 27th March 1867 No 307.
Encs of the D^o dated 22nd April 1867
Encs of Gov^t dated May 1867 No

7 Copies Desp^d

Chargeable as at present but I think it would be desirable to alter the rule in this respect, and to make the charge payable in all cases. I do not see why it should not be enforced upon Bombay Merchants.

I suppose constant invoicing as at Bombay is not practicable at the other Presidency Ports, but I should like to have the opinion of the Madras Collector upon that point.

It is impossible to say whether invoices are worthy or not

I agree that it would be desirable to alter the Customs Law as suggested by the Collector of Customs at Madras. They are interested parties, but the proposed change of practice, which seems consistent with reason and the example of the other Presidencies

who was lately deputed
to Calcutta as a Member
of the Tariff Committee, ob-
served that in the Customs
House there every consign-
ment of goods that passes
through it is opened and
examined ~~at the rates of~~
~~2 to 10 per cent~~, while all bales and cases are
passed on the invoices
as a general rule, taking
it for granted that the
contents ~~are correct~~ and
~~that they~~ correspond with
the Invoices and samples,
in quantity, quality
and value. He has ascertained
that the Calcutta system
prevails in Bombay also,

and

that it
3. The Board of Revenue
~~truly remarked that~~ the practice
at present in force in the
Madras Customs House gives
great facilities to the dis-
honest trader for committing
fraud, and that it must
entail a ~~considerable~~ annual loss to the Imperial
Revenue. It is therefore
proposed to adopt in the
Custom House here the
system in force at the other
two Presidencies in regard to
examining goods, ~~and this~~
~~the Government approve~~

4. The change of practice
will entail much additional
work on the Appraisers

Department

Department, and the Government consider the increase of establishment proposed by Mr. Blair and recommended by the Board of Revenue at a cost of Rs. 346 per mensem to be very moderate.

I am to request the early sanction of the Govt. of India for the entertainment of these servants.

		Rs.
1	Asst. Appraiser	300
1	Searcher	20
1	Cooper	12
2	Peons	14
	Total.	346

5 It will be observed that an additional ground for employing an Assistant Appraiser is to secure the services of a duly qualified and trustworthy officer to take the place of the Appraiser himself during his occasional absence, or when he vacates the appointment. The duties of an Appraiser cannot be efficiently discharged except by persons who have had much experience in that line of business.

A further sanction to the establishment as now proposed will be required for meeting the charge in the current year.