8.8.47

Revenue (1897) Department.

PRESS SERIES.

G.O., No. 267 & 268

DATED 27th April 1897.

[Despatch Abstract.]

Forwarding to the Govt: of India for favourable consideration a memorial from the Chamber of Commerce Madras regarding the exemption from import duty of seeds & chemical manures.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Revenue (189/) Department.

CURRENT No. 1211.

From The Chairman, Chamber of Commerce.

Order

No.

Dated 6th February 1897

Received 9th "

Registered 9th "

Enclosures 2.

Spare copies

SUBJECT.

Requesting to forward the enclosed letter to the Govt. of India on the subject of the exemption from import duty of tea seed and chemical manures.

BACK PAPERS.

G.O.	No	Department.	Date.
~~Duty on Seeds~~			
Lr	1535 R		25-9-95
"	505		1-8-95
"	368-69		15-6-95
"	287		23-1-95
	43902		6-11-96

FURTHER PAPERS.

G.O.	No.	Department.	Date.
C	7252	—	97
Gr.	849-50		
	6-10-97		

42

The Madras Chamber of Commerce.

Madras, 6th July 1897.

FROM

G. G. Arbuthnot Esq.
CHAIRMAN, CHAMBER OF COMMERCE,
MADRAS.

GOVERNMENT OF MADRAS
9 FEB 97
LEGISLATIVE DEPARTMENT

To

The Chief Secretary to Govt of Madras
Legislative Department
Fort St George

Sir,

I have the honour to request that you will be good enough to forward the enclosed letter to the Government of India on the subject of the exemption from import duty of tea seed and and chemical manures, and to express the hope that the Chamber's request will receive the support of the Madras Government.

I have the honour to be, Sir,
Your most obedt Servant
G. G. Arbuthnot
Chairman

NOTE FOR THE SECRETARY.

C. № 1383 of 1897

Nil may please until the report called for regarding the exemption of Chemical manures from import duty is received from the Board of which a reminder has been sent.

GK
16.2.97.

Mr. Hayes.

Revenue (1897) Department.

CURRENT No. 1383

Print

From
The Secretary
United Planters' Association
of Southern India

Order
No.

Dated 13th
Received 15th } Febry 1897
Registered 16th

Enclosures

Spare copies

SUBJECT.

Stating that the United Planters' Association of Southern India, supports the recent memorial of the Madras Chamber of Commerce urging the exemption of tea-seed as well as chemical manures from import duty.

15

1a 16/2/97

16

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Revenue (1897) Department.

CURRENT No. 1221.

UNITED PLANTERS' ASSOCIATION
OF SOUTHERN INDIA.

Madras, 13 February 1897.

SECR. GOVT. MADRAS
15 FEB 97
REV. DEPT.

The Secretary to Government,

Revenue Department,

MADRAS.

Sir,

I have the honour to state for the information of Government, that this Association supports the recent Memorial of the Madras Chamber of Commerce, urging the exemption of Tea-seed, as well as Chemical Manures, from Import Duty.

The Association does this on the general principle that Government should give all reasonable encouragement to the importation of articles intended for the improvement of Agriculture.

I have the honour to be, Sir,

Your most obedient Servant,

Harry Ormerod.

Secretary.

BACK PAPERS.

G.O.	No.	Department.	Date.

Revenue (189 7) Department.

CURRENT No. 1221

Print

Remember sent the whole file out to the Case clerk. 16/2/97

From The Secretary to the United Planters' Association of Southern India.

Order Mis. No. 941 dy 16th Feb. '97.

No.

Recorded pending receipt of reply from the Board of Rev.

Dated 8-2-97.

Received 9-2-97

Registered 10-2-97.

Enclosures

Spare copies

AR. 15.2.97

List

SUBJECT.

The Case clerk will issue a Reminder to the Board.

Sent on 19-2-97. (Reminder No. 25)

Reporting on the extent to which artificial manures have been used by Planters in Southern India, and requesting the Govt to arrange for the importation of artificial manures at a moderate cost.

15/2/97

Recd 13/2/97

other manufactures.

BACK PAPERS.

G.O.	No	Department.	Date.

FURTHER PAPERS

G.O.	No.	Department.	Date.

United Planters Association
of Southern India.

GOVERNMENT OF MADRAS
9 FEB 97
GENERAL DEPARTMENT

Madras, 8 February 1897.

40

To
The Secretary to Government,
Revenue Department,
FORT ST. GEORGE.

Sir,

4350

With reference to G.O.No.690 Mis. of 6th November, 1896, I have the honour tp state that careful inquiries have been instituted in regard to the extent to which Artificial Manures have been used by Planters in Southern India during the last ten years.

2). The Government called upon the Board of Revenue for a statement of Imports of these Manures, and requested the U.P.A.S.I. to furnish a return of the quantity used by Planters.

3). The best and quickest means of obtaining the return called for, was to ask the chief importing firms to give from their books the quantities of the various kinds of Chemical Manures imported by them, and supplied to Planters. It is from this source that the statistics now submitted have been obtained.

4). Figures received in this manner show that the following Manures were imported into Southern India during the last four years, and it may be fairly assumed that all have passed through the hands of Planters:-

	A.
7X4 tons	Nitrate of Soda
I63 "	Muriate of Potash
56 "	Sulphate of Ammonia
46 "	Kainit Salts
3 "	Phosphate of Ammonia
2 "	Sulphate of Soda
I½ "	Nitrate of Potash

-1g

No other manufacture.

S-P

B.

425 tons Superphosphates

34 " " of Lime

I2 " Dissolved Bones

(List B. comprises Manures that are not, properly speaking, Chemical Manures, but they are mentioned here in view of the possibility that they may be of interest.)

5). Although Government called for a statement of the quantities of Chemical Manures used by Planters during the last ten years, it will be seen that the returns given do not go beyond I893. Chemical Manures have only come into appreciable use during the last few years, and I893 may be fairly taken as the starting point, any imports prior to that time being probably unworthy of note. It is believed that these Manures are coming more and more into use, year by year, as their worth becomes known; and it is certain that many Planters have latterly displayed an increasing inclination to study the problem of high cultivation, and to carry theory into practice b by adopting the system of using Artificial Manures whenever it appears likely to offer solid advantages.

6). Perhaps the chief reason why Artificial Manures have not, and do not, come into more general use, is to be found in their high cost. There is little room for doubt that a reduction of cost would be quickly followed by a growth of demand; and it is on this ground more especially that this Association has ventured to draw the attention of Government to the question of the expediency of getting these products exempted from Import Duty, in order that the cost to users may be as slow as possible.

In this connection I may remark that one Importer, who had to pay a considerable sum as Import Duty on a shipment of Manures, writes:- " Since then I did not find it profitable to import any more, as the selling price had naturally to be raised, and Planters would not care to buy this fertilizer at a very expensive price."

In other words, here is a positive instance of trade having

& other manufactures

stifled by the Import Duty.

7). It is almost unnecessary to draw the attention of Government to the argument that an increased use of Manures would result in an increase of crops, and thus benefit not only planters and agriculturists but the country generally. On the other hand, an Import Duty on Chemical Manures acts directly in restraint of the use of these aids to Agriculture, and indirectly retards the expansion of the agricultural industry.

8). I have the honour to remark furthe[illegible]hat the Act itself (Act III . of I896) under which Impo[illegible]ty has been levied on these products, provides (in Sch[illegible]eiv. No.7I) that Manures of all kinds, including Animal Bones, shall enter this country Free of Duty. The evident intention of this clause is to exempt all imports of Manures, so that the levy of a tax thereon under the heading of "Chemicals," is clearly inconsistent with the spirit of the Act.

9). Should a doubt exist as to the expediency of trusting to the bona fides of the Importer in India, and should Government wish to make sure that all articles imported as Manures shall be used only qua Manures, it is believed that every Importer could easily make arrangements to meet the Government's wishes in this respect.

I0). In the belief that it is the aim of the Government to give all reasonable encouragement to the importation of articles for the improvement of Agriculture, and in the ~~confidence~~ fullest confidence in the soundness of the fiscal policy of the Government of India in regard to this matter, this Association desires to urge that if Artificial Manures can be imported at a moderate cost, the use of them will spread among the Indian ryots, as well as among Planters, to the very great advantage of the country.

I have the honour to be, Sir,

Your most obedient Servant,

Harry Ommerod

Secretary

— in the Madras Presidency for making nitric acid or in any other manufacture.

Revenue (1897) Department.

CURRENT No. 2238

GOVERNMENT OF MADRAS
11 MAR 97
REVENUE DEPARTMENT

From The Secretary to the Commissions, Salt, abkari and Separate Revenue

Order This No. 820

Dated 2nd March 1897

Received 11th

Registered 12th

Enclosures

Spare copies

SUBJECT.

Submitting to Government so far as received, the information called for regarding the imports of chemical manures into the Madras Presidency during the last 10 years and the use of the nitrate of soda or any other chemical manure during 1896 in the Madras Presidency for making nitric acid or in any other manufacture.

10. 13/3/97

(3).

stified by the Import Duty.

7). It is almost unnecessary to draw the attention of Government to the argument that an increased use of Manures would result in an increase of crops, and thus benefit not only planters and agriculturists but the country generally. On the other hand, an Import Duty on Chemical Manures acts directly in restraint of the use of these aids to Agriculture, and indirectly retards the expansion of the agricultural industry.

8). I have the honour to remark further, that the Act itself (Act III of 1896) under which Import Duty has been levied on these products, provides (in Schedule No.VI) that Manures of all kinds, including Animal Bones, shall enter this country Free of Duty. The evident intention of this clause is to exempt all imports of Manures, so that the levy of a tax thereon under the heading of "Chemicals," is clearly inconsistent with the spirit of the Act.

9). Should a doubt exist as to the expediency of treating to the bona fides of the Importer in India, and should Government wish to make sure that all articles imported as Manures shall be used only as Manures, it is believed that every Importer could easily make arrangements to meet the Government's wishes in this respect.

10). In the belief that it is the aim of the Government to give all reasonable encouragement to the importation of articles for the improvement of Agriculture, and in the expectation fullest confidence in the soundness of the fiscal policy of the Government of India in regard to this matter, this Association desires to urge that if Artificial Manures can be imported at a moderate cost, the use of them will spread among the Indian ryots, as well as among Planters, to the very great advantage of the country.

I have the honour to be, Sir,

Your most obedient Servant,

Secretary

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

REVENUE BOARD OFFICE MADRAS.

87P

Proceedings of the Board of Revenue

(Separate Revenue.)

Dated 2nd March, 1897.

Mis No 520.

Read Reminder from Government, Revenue Department No 25 dated 19th February 1897.

Resolution

In Government Orders, Mis No 4390 Rev dated 6th November 1896, Government called for a statement showing the quantity of chemical manures imported into the Madras Presidency during the last 10 years, and (2) for a report whether nitrate of soda or any other chemical manure is used at any place in the Presidency for making nitric acid, or in any other manufacture and if so as to the quantity so used.

2. The reports of the Collectors of Maritime Districts with the exception of those noticed below show that there were no imports of chemical manures in the last 10 years. The Collector of Sea Customs, Madras, gives the following imports

imports of chemical manures, from foreign countries. in the last 10 years:-

	Tons.
1889-90	10
1890-91	10
1893-94	39
1894-95	2
1895-96	9

The Collector of South Canara gives the following imports of nitrate of Soda, in the last 10 years as imports of chemical manures.

	Tons
1893-94	2
1894-95	76
1895-96	77

The Collector of Malabar has not yet replied.

3. With regard to the enquiry of Government on the second point mentioned in the first para above, the Collector of Cuddapah states that about 288 lbs of nitrate of Soda is used per annum in the district for making fireworks. He has apparently confounded nitrate of Soda with nitrate of potash. The Collector of Sea Customs Madras, states that he is unable to supply information on this point. The Collectors of other districts except Malabar and Nilgiris report that neither nitrate of Soda nor any other chemical manure is used in their districts for making nitric acid or in any other manufacture. The Collectors of Malabar and Nilgiris have not yet replied.

4. The reports of the Collectors of Malabar and Nilgiris will be submitted as soon as they are received.

(True Extract)

Commandant

Assistant Secretary

To
The Secretary to Government, Revenue Department.

10/3/97

Revenue (1897) Department.

CURRENT No. 2531

RECEIVED AT THE SECRETARIAT OF MADRAS
20 MAR 97

From

The Secretary to the Commissioner of Salt, Abkari & Separate Revenue
Madras

Order Mis No. 1008

Dated 15th March, 1897

Received 20th

Registered 20th

Enclosures one

Spare copies

SUBJECT.

Submitting to Government in continuation of Board's Proceedings Mis Nr 820 (S.R) dated 2nd March 1897 letter from the Collector of Malabar forwarding statement showing the quantity of Chemical manures imported into the District for 5 years from 1891-92 and reporting that Nitrate of soda or any other Chemical manure is not used for making Nitric Acid or in any other manufactures

BACK PAPERS.

G.O.	No.	Department.	Date.
B.P.	2736	S.R.	13-7-96
	820		2-3-97

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Statement showing the quantity of manure for a period of five years from 1891-92.

Description of manure	Remarks
1891-92	
Potash - Tons	
1892-93	
Manure - Do	
1893-94	
Basic slag - - - - - - Do	
Bicarbonate of Soda - - - "	
Manures, other kinds (Fish manures) -	
Muriate of Potash - - - "	
Nitrate of Potash - - - - "	
Nitrate of Soda - - - - - "	
Potash manure - - - - - "	
Superphosphate - - - - - "	
Do of lime - - - - "	
1894-95	
Animal bones - - - Do	
Bicarbonate of Soda - - - "	
Kaivil - - - - - - "	
Manures, other Kinds (Fish manures)	
Muriate of Potash - - - - "	
Nitrate of Soda - - - - - "	
Superphosphate - - - - "	
1895-96	
Animal bones - - - - "	
Basic Slag - - - - "	
Bicarbonate of soda - - - "	
Kaivil - - - - - "	
Manures, other Kinds (Fish manures)	
Muriate of Potash - - - "	
Nitrate of Potash - - - "	
Nitrate of Soda - - - - "	
Phosphate of ammonia "	
Superphosphate - - - - "	
Do of lime "	
Do white mineral "	

(Sd) V. Rajagopala Chary
Deputy Collector & Sheristadar

REVENUE BOARD OFFICE
MADRAS

10 D

Proceedings of the Board of Revenue

(Separate Revenue.)

Dated 15th March, 1897.

Mis No. 1008

Read the following letter from the Collector of Malabar No. 171/S.C dated 13th March 1897.

With reference to Board's Proceedings Mis No. 4736 (S.R) dated 13th November 1896, I have the honor to submit herewith a statement showing the quantity of chemical manures imported at the several ports in the District for a period of 5 years only from 1891.92 as the Darkhasts from which the figures are to be taken have been destroyed for the previous five years.

Copy enclosed

2. With reference to para 2 of the Proceedings I beg to report that all the Tahsildars report that Nitrate of Soda or any other Chemical manure is not used for making Nitric Acid or in any other manufacture.

Resolution

Resolution. 121P

Submitted to Government in —
Continuation of Board's Proceedings mis No
820 (S.R) dated 2nd March 1897

(True Copy and Extract)

Examiner

Assistant Secretary

To

The Secretary to Government,
Revenue Department.

18/3/97

Cur 2238/97

D
4 1,000—11-6-96.

REVENUE DEPARTMENT.

Cur 2061/97 was put in after the return — file from circ.

C. No. 1211 from the Chamber of Commerce
" 1383 " United Planters' association
" 1221 " do do
" 2238 " Board of Revenue, Sch: Rev:
" 2531 " do do

Dated 189 .

FOR ORDERS.

Forwarding Chamber of C chemical ma

ff act, duty culation clude ad valorem

Rep. 1/3/97.

C. 263.97
31/3/97

The first Current is a letter from the Chamber of Commerce giving Govt to a memorial to the Govt of India requesting that tea seeds specially, if not seeds of all kinds generally, and Chemical manures may be exempted from import duty. The second current is a Communication from the United Planters' association supporting the Chamber's memorial. In the memorial the Chamber states that it is not good policy to tax seeds of any kind which are imported with a view to improving existing Agricultural products or opening out new ones, and requests that such imports may be exempted from duty. Should this concession be thought inadvisable, it requests that tea seeds may be specially exempted for the following reasons:—

(1) In taxing tea seed, Govt is practically imposing an export duty

Resolution. 12P

Submitted to Government in
Continuation of Board's Proceedings misc 12
820 (S.R) dated 2nd March 1897

(True Copy and Ex

Examiner
Assistant Se

To

The Secretary to Government
Revenue Depart

18/3/97.

...esidency of

		TONS.	
1893–94	...	10	
1894–95	...	10	
1895–96	...	10	
	...	25	
	...	217	
	...	396	1,131
	...	518	

The association states that chemical manures have come into appreciable use only during the last four years, the imports prior to that year being insignificant, and

D
4 1,000—11-6-96.

Cur 2238/97 was put in file of the return file from circle.

REVENUE DEPARTMENT.

C. No. 1211 from the Chamber of Commerce
" 1383 " United Planters association
" 1221 " Do do
" 2238 " Board of Revenue, Sep: Rev:
" 2531 " Do do

From

The Hon. Mr Bliss C.I.E.
The Hon. Mr Grose C.I.E.
H.E. the Governor.

Dated 189 .

FOR ORDERS.

The first Current is a letter from the Chamber of Commerce giving Govt to a memorial to the Govt of India requesting that tea seeds specially, if not seeds of all kinds generally, and Chemical manures may be exempted from import duty. The second current is a communication from the United Planters association supporting the Chamber's memorial. In the memorial the Chamber states that it is not good policy to tax seeds of any kind which are imported with a view to improving existing Agricultural products or opening out new ones, and requests that such imports may be exempted from duty. Should this concession be thought inadvisable, it requests that tea seeds may be specially exempted for the following reasons:—

(1) In taxing tea seed, Govt is practically imposing an export duty

* Under Art. 94, Sch. IV of the Tariff act, certain seeds are subject to a duty of 5% according to tariff valuation and "all other sorts" which include "tea seeds" to a 5% ad valorem

Dy. 1/3/4/97.

C. 268-97
R 3/Feb/97

on tea; and

(2) it seems illogical not to exempt tea seed from duty while tea chests and lead lining for them are imported free [Under Art. 107, Schedule IV, tea chests of metal or wood, whether imported entire or in sections, are exempted provided that the Customs Collector is satisfied that they are imported for the purpose of the packing of tea for transport in bulk]

2. ~~According to~~ The Hon. Mr. Westland (vide his speech of the 27th Decr 1894), (i) claims to exemption under the Tariff act must be based on economic grounds, and (ii) it is not the fact that an article is to be used for a certain purpose that gives it its claim to exemption, but the fact that in ordinary practice that and no other is the purpose for which the article is imported and used, and that the article ~~is~~ is such and of such special character that on its importation it may be at once presumed that use as an exempted article is the purpose for which it is required. Applying these principles to the Chamber's request, it cannot be stated that seeds of all kinds are imported solely for the purpose of improving agricultural products. Tea seeds, however, it is thought, are imported solely with that

FOR ORDERS.

x in G.O. No 287 A 7/23rd Jan 1895. flagged A

flagged B

object and may be recommended for exemption from import duty.

3. The Chamber also requests that Chemical manures which are taxed as chemical products and preparations, under Art. 10 of Schedule IV may be placed on the same footing as manures of all kinds, including animal bones, which are admitted free, under Art. 71 of Schedule IV. In making this request, the Chamber states it has not for the observations of the Hon. Mr. Westland numbered ii in para 2 of this note, and gives it as its opinion that if importers signed a declaration that the chemicals were imported for the sole purpose of being used as manures they ought to be admitted free, as the imposition or the disposition of an import duty amounts in this case also to the imposition of an export duty on tea and coffee.

4. The recommendation made by this Govt on a former occasion to exempt nitrate of soda falling under the head of Chemical manures from taxation was negatived by the Govt of India (vide G.O. No 505 D/ 1st Augt/95) with a view to address that Govt again on the subject, information was called

for again from the Board of Revenue (Sep: Revs) and the United Planters Assn as to the quantity of chemical manures imported during the past ten years and the quantity used during the same period respectively. The Board was also asked to report whether nitrate of soda or any other chemical manure is used anywhere in the Presy for making nitric acid or in any other manufacture, and, if so, the quantity used. The third, fourth and fifth Currents contain the information required. According to the Board, the following quantities were imported during the past ten years: —

	Imported into Madras (Chemical manures) Tons	Malabar Tons	South Canara Nitrate of Soda Tons	Total Tons	
1885-90	10	.	.	10	
1890-91	10	.	.	10	
1891-92	.	~~25~~ 10	.	~~25~~ 10	
1892-93	-	25	.	25	
1893-94	89	176	2	217	
1894-95	2	318	76	396	1131
1895-96	9	432	77	518	

Note It is only in the case of S. Canara Malabar the quantity of each description of manure is given separately.

According to the U.P.A., the purchases during the past four years were ~~as~~

Nitrate of Soda ~~nuclear~~	714	~~274½~~	~~985½~~ 985½
Other chemical manures	271½		

The Association states that Chemical manures have come into use only during the last four years and that 1893 was

* Note: The U.P.A. states that this substance, properly speaking, is not a chemical manure. It is as much a chemical manure as nitrate of soda is.

1131
136
995

985½
410

5

be taken as the starting point, the imports prior to that period being insignificant. This statement is borne out by the table of imports given above.

5. The Board's figures include 72 tons of animal bones, 64 tons of fish manures and 258 tons of superphosphates* (imported into Malabar), which properly speaking are not chemical manures. The imports of other descriptions of manures during the last three official years were therefore 1131-394 or 737 tons. The quantity shown as ~~imp~~ purchased by the planters is in excess of this quantity. This may be accounted for by the fact that the Association's figures include the purchases made during the first three months of 1893 and the last nine months of 1896, while the Board's figures are for a period of three years ending 1895-96.

6. The following information in regard to the uses to which the Chemical manures named by the U.P.A. & the Board could be put has been gathered from Ures Dictionary of Arts, Manufactures and Mines and Thorpes Dictionary of Applied Chemistry: —

Nitrate of Soda. It is extensively and economically employed for the manufacture of nitric acid; is used for the purpose of being converted by double decomposition into chloride of potassium into nitrate of potash and is employed as a manure; is not applicable for the preparation of gun powder or fire works, in consequence of its tendency to attract moisture from the air. It has, however, been prepared and used for blasting powder with some apparent advantage; may be used for preparing nitre or potassium nitrate.

Muriate of Potash or Potassium Chloride. This is the most important of all the sources from which potassium salts are obtained for technical purposes.

Ammonium sulphate. The chief consumption of ammoniacal salts in the arts is in the form of Sal Ammoniac, the sulphate of ammonia being principally used as a material for the manufacture of chloride of ammonium. It may, however, be employed directly in making ammonia alum or in the production of free ammonia by treatment with lime. It is mostly employed as a manure as a substitute for nitrate of soda.

This is a product of the country and should hardly be imported – certainly need not be

Kainite. A potash salt found at the Stassfurt Salt mine along with Kieserite and Carnalite

Phosphate of ammonia. Is principally used in Lagrange's sugar refining process.

Sulphate of soda. It is chiefly used in the manufacture of carbonate of soda.

Nitrate of potash is sometimes used in the manufacture of nitric acid but nitrate of soda is in every way more economical. It is chiefly employed in the preparation of pyrotechnic mixtures.

Bicarbonate of soda. The principal use of bicarbonate is as baking powder. It is used either by itself or mixed with a solid organic acid or an acid salt.

Basic slag. Slags consist, in general, of bi-silicates of lime and magnesia along with the oxides of iron and other metals. Attempts have been made to use caked slag and slag-sand as concrete and of the slag-sand mixed with lime as a mortar.

7. With regard to the second point on which information was called for by the Board (Vide para 4 supra), it does not appear that nitrate of soda or any other chemical manure is used in making nitric acid ~~soda~~ or in any other manufacture. To convert chemical manures into other substances laborious chemical processes would appear to be necessary. This would make the cost of the substances so manufactured prohibitive as compared with the finished products imported direct from abroad. There are no manufactories[x] in this Presidency where chemical manures could be converted into other substances.

8. The Association believes that if artificial manures can be imported at a moderate cost, their use will spread among the Indian ryots as well as among planters to the very great advantage of the country. The exemption of chemical manures may it is submitted, be recommended ~~subject to the condition~~ on the understanding that the Collr of Customs is satisfied that they are imported with the bonâ fide intention that they shall not be used otherwise than as manures. To satisfy himself, the Collector may insist upon importers signing a declaration to that effect

CH 23/3/97

[x] statement of large industries put up - flagged C.

Practically these chemicals are imported only as manures & in the farmers' hands would, it may be said, "that that is the purpose" "for which the article is imported and used."

24/3/97

So I think. These chemicals certainly should be exempted - I cordially concur. The Bd 29/3/97

JG 30/3/97

Govt of India should be addressed, with a strong recommendation. D.S.H. 2.4.97

Cus 1211/97

Note for the Secretary to

With Cus. No. in-
the Madras Chamber of
Commerce submits for
transmission to the Govt
of India a letter requesting
that orders may be passed for
for exemption from import
duty of Chemical manure &
and tea seed. With regard
to the former article, a pro-
-posal made by this Govt in
favor of exemption on a
previous occasion was
distinctly negatived by the
Supreme Govt. vide its
letter under No. 5058 1-8-95.
On a similar representa-
-tion made by Messrs Skines
& Co. His Excellency thought
that a case should be made
out in favour of exemption
and India addressed again on
the subject. To this end certain
information was called for
from the Board of Rev, and it
be - in connection with

flagged B.

vide His minutes
flagged D.

R.C. 23
9/2

IV
appeal

...ary's reply, it is submitted,
...that the Current may lie over.

15-2-97

Print cover
27/4/97

The Hon. ble Grose C.I.E.
H.E. the Governor.

23.4.97

Read Cuos. 1211, 1383,
1221, 2238, and 25,
25-1 ~~and 2847~~

Extr. Rev. No 26

G.O. No. 267 & 27th April 1897.

Ordered that the following letter be despatched to the Govt of India.

11/4/97.

40 30/0 d

Letter with Memorial 17/6/97

Letter No. 268.

Extr. Rev. No. 27

To

The Secretary to the Govt. Indr
Dept of Finance & Commce

Sir

I am directed to forward the accompanying Memorial from the Chamber of Commerce, Madras, dated 6th February 1897, requesting that seeds of all kinds and chemical manures may be exempted from import duty. These articles are, at present, liable to taxation, the former under Article 94, Schedule

G.O. Nos 267-268
27-4-97

R.C. 27/4/97.
27/4/97

IV of the Indian Tariff Act,
VIII of 1894 as amended by
III of 1896, and the latter
under article 10 of the same
Schedule as falling under the
head of "Chemical products
and Preparations".

2. In regard to the
exemption of seeds generally,
the Chamber represents that
it is impolitic to tax seeds
of any kind which are
imported with a view to
improving existing agricultural pro-
ducts or opening out new
ues, and requests that,
in the event of its being
held inadvisable to grant
this concession, tea seed
may be specially exempted
for the following reasons:—
(a) In taxing tea seed,
Government is practically
imposing an export duty
on tea; and
(b) it seems illogical not
to exempt tea seed from duty
while tea chests and lead lining
for them are imported free

under Article 107, Schedule
IV of this Act.

3. As regards Chemi-
cal manures, the Chamber
requests that they may be
placed on the same footing
as "manures of all kinds in-
cluding animal bones" which
are admitted free under
Article 71 of Schedule IV and
expresses the opinion that,
if importers signed a de-
claration that the Chemi-
cals were imported for the
sole purpose of being used
as manures, they ought
to be exempt from taxation,
as the imposition of an im-
port duty amounts in this
case also to the levy of
an export duty on tea and
coffee.

4. There is a good deal
of force in both the con-
tentions of the Chamber,
which are supported by the
United Planters' Association
of Southern India, as the
levy of the impost appears

to be inconsistent with the spirit of the Tariff Act, and opposed to the declared policy of Govt regarding the development of the industries and resources of the country.

5. From a Statement furnished by the Association it appears that 985½ tons of chemical manures & 425 tons of Super-phosphates which in the opinion of the Association, are not properly speaking chemical manures, were purchased by planters during the past four calendar years, while the imports into the Madras Presidency of such manures during the past ten years were as shown below:—

	Tons	
1889-90 . . .	10	
1890-91 . . .	10	
1891-92 . . .	10	
1892-93 . . .	25	
1893-94 . . .	217	1131
1894-95 . . .	396	
1895-96 . . .	518	

The Association states that Chemical manures have come into appreciable use only during the last four years, the imports prior to that year being insignificant, and that planters have latterly displayed an increasing tendency to study the problem of high cultivation by adopting the system of using artificial manures. This statement is fully borne out by the table given above.

According to this table, 1131 tons were imported during the three years ending 1895-96. Deducting 136 tons of animal bones and fish manures included in the above figure, there remains 995 tons which represents the quantity of Chemical manures imported. The quantity shown as purchased by the planters is in excess of the imports; but this is mainly due to the fact that the figures furnished by the Association include

include also the purchases made during the first three months of 1893 and the last nine months of 1896, while the table of imports is for a period of only three years ending 1895-96.

6. It has also been ascertained that the nitrate of Soda or any other chemical manure is not used in the Madras Presidency in making nitric acid or in any other manufacture. To convert chemical manures into other substances, costly chemical processes would appear to be necessary. This would make the cost of the substances so manufactured prohibitively high as compared with the finished products imported from abroad. Moreover, there are no manufactories in the Presidency where such conversion could be effected.

there is a feeling with on the part of Planters to have recourse to high cultivation to secure an increased outturn. The great difficulty in the matter is the cost of the manures that are used in this Presidency. The Board's Chemist on one occasion visited one of the principal ports abroad and the fertilizers on account of its high cost. It is therefore highly essential to diminish in every possible way the cost of these fertilizers in the Madras Presidency, as compared with the Home article.

[illegible] manures [illegible] the first [illegible] chemicals it is not easy to [illegible] manures [illegible] written can was observed used for any purpose manures when

ed. In these circumstances, it may be safely stated that chemical manures imported are not used otherwise than as manures.

7. The United Planters ~~Their~~ Association ~~is of the opinion and this Government fully shares in it~~, that if artificial manures can be imported at a moderate cost their use will spread among planting Community & prove thereby of the Indian ryots to the very great advantage of the Country.

8. This Government considers that, on economic grounds, no fiscal restriction should be placed on the import of articles like tea seed and Chemical Manures which will have the effect of retarding the expansion of agricultural industry. ~~Mor-~~ ~~over~~, in the words of the Hon. Mr. J. Westland, it may be stated ~~of the articles above mentioned~~ "that the article is such and of such special character

character that on its importation, it may be at once presumed that use" as an exempted article "is the purpose for which it is required". His Excellency the Governor in Council has given the subject his mature consideration, and is strongly in favour of exempting tea seed and chemical manures from import duty, and accordingly recommends that the Chamber's request may be favorably Considered, ~~subject, however, to the restriction that~~ importers of chemical manures ~~shall be required~~ to sign a declaration that such manures are imported with the bona fide intention of using them as manures. In making this recommendation, this Govt has not overlooked the decision of the Govt of India contained in Mr

Mr Inlay's letter No 3440 S.R. of 1st July '95 in respect of an application requesting exemption from taxation of Nitrate of Soda which falls under the category of chemical manures. H.E. the Govr in Council fears, however, that the importance attached to exempting these manures from payment of duty was not sufficiently considered at the time, & trusts that a reconsideration of the decision previously arrived at in the light of the foregoing remarks will lead to a different result.

11/4/97.

Mr. Lawson the Govt of India desire any Special instruction in this matter that the Govt may be pleased to give.

I am to say that the Chamber of Commerce to inquire

AER 8/4/97

Note Since the note for orders was written, C. No 2541 has been received. It will be seen therefrom that the Collr of Nilgiris reports that nitrate of soda is used by chemists in some manufactures in limited quantities not exceeding [illegible]. Druggists [illegible]

1800

any reference should be made to this
in the letter to India

Madras.

Seeds and Chemical Manures.

Ordering that a letter be despatched to the Government of India forwarding, for favourable consideration, a memorial from the Chamber of Commerce, Madras, regarding the exemption of — from import duty.

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Government {1897} of Madras.

REVENUE.

APRIL.

Letter, No. 268, 27th April 1897.

Spare copies

a return

Seeds and Chemical Manures.

Ordering that a letter be despatched to the Government of India forwarding, for favourable consideration, a memorial from the Chamber of Commerce, Madras, regarding the exemption of — from import duty.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

Read—again G.O., Mis. No. 4390, Revenue, dated 6th November 1896 :—

Order—Mis. No. 4390, Revenue, dated 6th November 1896.

The Board of Revenue is requested to furnish Government with a statement showing the quantity of chemical manures imported into the Madras Presidency during the last ten years, and to report whether nitrate of soda or any other chemical manure is used at any place in the Presidency for making nitric acid or in any other manufacture and, if so, the quantity so used.

2. The United Planters' Association is requested to furnish a return of the quantity of such manures used by the planters, during each of the last ten years, *for purposes of manuring.*

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
" Secretary, United Planters' Association.
Copy to the Hon'ble Mr. H. P. Hodgson.

Read—the following letter from G. G. ARBUTHNOT, Esq., Chairman, Chamber of Commerce, Madras, to the Chief Secretary to Government, dated 6th February 1897 :—

I have the honour to request that you will be good enough to [illegible] the enclosed letter to the Government of India on the subject of the exemption [illegible]port duty of tea seed and chemical manures, and to express the hope that the Chambe[illegible] request will receive the support of the Madras Government.

Enclosure.

From G. G. ARBUTHNOT, Esq., Chairman, Chamber of Commerce, Madras, to the Secretary to the Government of India, Legislative Department, Calcutta, dated Madras, 6th February 1897 :—

I have the honour to state that the attention of the Chamber has recently been directed to the subject of the levy of import duty on tea seed and chemical manures, an impost which seems to it to be inconsistent with the spirit of the Tariff Act and opposed to the policy of the Government of India regarding the development of the industries and resources of the country. Under Schedule IV of the Act No. 94, certain seeds are indicated as subject to a duty of 5 per cent. according to tariff valuation, and " all other sorts," which include tea seeds, to a 5 per cent. *ad valorem* duty. The Chamber considers that it is impolitic to impose a tax upon seeds of any kind which are imported with a view to improving existing agricultural products or opening out new ones, and I have the honour to request that the Government of India will consider the advisability of exempting such imports from duty. If it is thought that this step would be inadvisable, then I have the honour to request that tea seed may be specially exempted, for in taxing this seed the Government is practically imposing an export duty on tea. Tea chests and the lead lining for them are imported free, and it seems illogical not to exempt tea seed from duty.

With regard to chemical manures, under Schedule IV, No. 74 of the Tariff Act " manures of all kinds, including animal bones," are admitted free, but chemical manures are taxed as chemicals. In 1895 the Government of India was not prepared to accept the recommendation of the Madras Government that these manures should be exempted from duty, owing, presumably, to the possibility of such imports being applied otherwise than as manures. The chamber has not forgotten the Hon'ble Mr. Westland's remarks in Council that it is not the fact that an article is to be used for a certain purpose that gives it its claim to exemption, but the fact that in ordinary practice that and no other is the purpose for which the article is imported and used, and that the article is such and of such special character that on its importation it may be at once presumed that use as an exempted article is the purpose for which it is required. The Chamber is of opinion that if importers signed a declaration that the chemicals were imported for the sole purpose of being used as manures they ought to be admitted free, as the imposition of an import duty amounts in this case also to the imposition of an export duty on tea and coffee, and is a serious drawback to efficient cultivation.

The Chamber trusts that the Government of India will take these matters into consideration, and that it will agree to the amendment of the Act in the manner indicated.

Read—the following letter from the Secretary to the United Planters' Association of Southern India, to the Secretary to Government, Revenue Department, dated Madras, 13th February 1897 :—

I have the honour to state, for the information of Government, that this Association supports the recent memorial of the Madras Chamber of Commerce, urging the exemption of tea seed, as well as chemical manures, from import duty.

The association does this on the general principle that Government should give all reasonable encouragement to the importation of articles intended for improvement of agriculture.

Read—the following letter from the Secretary to the United Planters' Association of Southern India, to the Secretary to Government, Revenue Department, dated Madras, 8th February 1897 :—

With reference to G.O., Mis. No. 4390 of 6th November 1896, I have the honour to state that careful inquiries have been instituted in regard to the extent to which artificial manures have been used by planters in Southern India during the last ten years.

2. The Government called upon the Board of Revenue for a statement of imports of these manures, and requested the United Planters' Association of Southern India to furnish a return of the quantity used by planters.

3. The best and quickest means of obtaining the return called for was to ask the chief importing firms to give from their books the quantities of the various kinds of chemical manures imported by them and supplied to planters. It is from this source that the statistics now submitted have been obtained.

4. Figures received in this manner show that the following manures were imported into Southern India during the last four years, and it may be fairly assumed that all have passed through the hands of planters :—

A.

	TONS.
Nitrate of soda	714
Muriate of potash	163
Sulphate of ammonia	56
Kainit salts	46
Phosphate of ammonia	8
Sulphate of soda	2
Nitrate of potash	1¼

B.

							TONS
Superphosphates	..	...	...	...	...	...	...
,, of lime	...	...	...	...	...	...	425
Dissolved bones	..	...	...	...	...	...	34
							12

(List *B.* comprises manures that are not, properly speaking, chemical manures, but they are mentioned here in view of the possibility that they may be of interest).

5. Although Government called for a statement of the quantity of chemical manures used by planters during the last ten years, it will be seen that the returns given do not go beyond 1893. Chemical manures have only come into appreciable use during the last few years, and 1893 may be fairly taken as the starting point, any imports prior to that time being probably unworthy of note. It is believed that these manures are coming more and more into use year by year, as their worth becomes known; and it is certain that many planters have latterly displayed an increasing inclination to study the problem of high cultivation, and to carry theory into practice by adopting the system of using artificial manures whenever it appears likely to offer solid advantages.

6. Perhaps the chief reason why artificial manures have not, and do not, come into more general use, is to be found in their high cost. There is little room for doubt that a reduction of cost would be quickly followed by a growth of demand; and it is on this ground more especially that this association has ventured to draw the attention of Government to the question of the expediency of getting these products exempted from import duty, in order that the cost to users may be as low as possible.

In this connection I may remark that one importer, who had to pay a considerable sum as import duty on a shipment of manures, writes:—"Since then I did not find it profitable to import any more, as the selling price had naturally to be raised, and planters would not care to buy this fertilizer at a very expensive price."

In other words, here is a positive instance of trade having been stifled by the import duty.

7. It is almost unnecessary to draw the attention of Government to the argument that an increased use of manures would result in an increase of crops, and thus benefit not only planters and agriculturists but the country generally. On the other hand, an import duty on chemical manures acts directly in restraint of the use of these aids to agriculture and indirectly retards the expansion of the agricultural industry.

8. I have the honour to remark further that the Act itself (Act III of 1896) under which import duty has been levied on these products, provides (in schedule iv, No. 71) that manures of all kinds, including animal bones, shall enter this country *free of duty*. The evident intention of this clause is to exempt all imports of manures so that the levy of a tax thereon under the heading of "Chemicals," is clearly inconsistent with the spirit of the Act.

9. Should a doubt exist as to the expediency of trusting to the *bonâ fides* of the Importer in India, and should Government wish to make sure that all articles imported as manures shall be used only *qua* manures, it is believed that every importer could easily make arrangements to meet the Government's wishes in this respect.

10. In the belief that it is the aim of the Government to give all reasonable encouragement to the importation of articles for the improvement of agriculture, and in the fullest confidence in the soundness of the fiscal policy of the Government of India in regard to this matter, this association desires to urge that if artificial manures can be imported at a moderate cost, the use of them will spread among the Indian Ryots as well as among planters to the very great advantage of the country.

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Read—the following Proceedings of the Board of Revenue (Separate Revenue), Mis. No. 820, dated 2nd March 1897:—

Read—Reminder from Government, Revenue Department, No. 25, dated 19th February 1897.

Resolution—Mis. No. 820, dated 2nd March 1897.

In G.O., Mis. No. 4390, Revenue, dated 6th November 1896, Government called (1) for a statement showing the quantity of chemical manures imported into the Madras Presidency during the last ten years, and (2) for a report whether nitrate of soda or any other chemical manure is used at any place in the Presidency for making nitric acid, or in any other manufacture and if so as to the quantity so used.

2. The reports of the Collectors of Maritime Districts, with the exception of those noticed below, show that there were no imports of chemical manures in the last ten years. The Collector of Sea Customs, Madras, gives the following imports of chemical manures from foreign countries in the last ten years:—

	TONS.
1889–90	10
1890–91	10
1893–94	39
1894–95	2
1895–96	9

The Collector of South Canara gives the following imports of nitrate of soda in the last ten years as imports of chemical manures:—

	TONS.
1893–94	2
1894–95	76
1895–96	77

The Collector of Malabar has not yet replied.

3. With rega to the enquiry of Government on the second point mentioned in the first paragrapn above, the Collector of Cuddapah states that about 288 lbs. of nitrate of soda is used per annum in the district for making fire-works. He has apparently confounded nitrate of soda with nitrate of potash. The Collector of Sea Customs, Madras, states that he is unable to supply information on this point. The Collectors of other districts except Malabar and Nilgiris report that neither nitrate of soda nor any other chemical manure is used in their districts for making nitric acid or in any other manufacture. The Collectors of Malabar and Nilgiris have not yet replied.

4. The reports of the Collectors of Malabar and Nilgiris will be submitted as soon as they are received.

(True Extract.)

(Signed) EDMUND MILLETT,
Assistant Secretary.

To the Secretary to Government, Revenue Department.

Read—the following Proceedings of the Board of Revenue (Separate Revenue), Mis. No. 1008, dated 15th March 1897:—

Read—the following letter from the Collector of Malabar, March 1897:—

With reference to Board's Proceedings, Mis. No. 4 ember 1896, I have the honour to submit herewith showing the quantity of chemical manures imported at th for a period of five years only from 1891–92, as the dark are to be taken have been destroyed for the previous fiv

2. With reference to paragraph 2 of the Proceedi Tahsildars report that nitrate of soda or any other c making nitric acid or in any other manufacture.

Revenue (189

Enclosure.

Statement showing the quantity of chemical manures imported at the several ports in the district of Malabar for a period of five years from 1891-92.

Description of manure.	Telli-cherry.	Kallai.	Bada-gara.	Calicut.	Beypore.	Cochin.	Total.
1891-92.							
Potash .. .. Tons.	..	..	..	10	..	..	10
1892-93.							
Manure .. .. ,,	..	..	..	25	..	..	25
1893-94.							
Basic slag .. .. ,,	15	..	..	..	..	..	15
Bicarbonate of soda .. .. ,,	2	..	..	5 1/20	..	..	7 1/20
Manures, other kinds (fish manures) .. ,,	..	8	..	..	..	..	8
Muriate of potash .. .. .. ,,	..	..	..	26	..	..	26
Nitrate of potash .. .. ,,	..	..	..	1	..	..	1
Do. of soda .. .. ,,	44 9/10	..	..	5	..	..	49 9/10
Potash manure .. .. ,,	..	..	..	10 2/20	..	..	10 2/20
Superphosphate .. .. ,,	..	..	..	47 3/4	..	..	47 3/4
Do. of lime .. .. ,,	..	..	..	10	..	..	10
1894-95.							
Animal bones .. .. ,,	..	..	..	..	..	37 7/10	37 7/10
Bicarbonate of soda .. .. .. ,,	4 1/4	..	..	1/2	..	..	4 3/4
Kaivit .. .. ,,	5	..	..	..	..	..	5
Manures, other kinds (fish manures) .. ,,	..	41	..	..	..	..	41
Muriate of potash .. .. .. ,,	..	..	..	..	..	..	..
Nitrate of soda .. .. ,,	..	..	..	91 21/40	..	..	91 21/40
Superphosphate .. .. ,,	59 7/10	..	..	73 11/20	..	..	132 9/20
1895-96.	5	..	..	72 3/10	10	..	87 3/10
Animal bones .. .. ,,	..	..	15	..	..	20	35
Basic slag .. .. ,,	55	..	..	..	..	..	55
Bicarbonate of soda .. .. .. ,,	1	..	..	..	..	..	1
Kaivit .. .. ,,	40	..	..	..	..	..	40
Manures, other kinds (fish manures) .. ,,	..	15	..	..	..	..	15
Muriate of potash .. .. .. ,,	21 7/10	..	..	1 1/2	..	..	22 9/10
Nitrate of Do. .. .. ,,	..	..	..	1 1/20	..	..	1 1/20
Do. of soda .. .. ,,	83 1/2	..	..	60 1/10	..	..	144 1/5
Phosphate of ammonia .. .. .. ,,	2 9/10	..	..	1/2	..	..	3 1/2
Superphosphate .. .. ,,	..	..	..	49 27/40	..	..	49 27/40
Do. of lime .. .. ,,	..	..	..	3 1/2	..	..	3 1/2
Do. white mineral .. .. .. ,,	..	..	..	30	..	..	30
Total ..	339 13/20	64	15	474 11/20	10	57 7/10	960 1/20

Resolution—Mis. No. 1008, dated 15th March 1897.

Submitted to Government in continuation of Board's Proceedings, Mis. No. 820 (S.R.), dated 2nd March 1897.

(True Copy and Extract.)

(Signed) EDMUND MILLETT,
Assistant Secretary.

To the Secretary to Government, Revenue Department.

10. In ue, dated 27th April 1897.

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No. 26.

Ordered that the following letter be despatched to the Government of India.

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.