0/9 3,000—5-2-98.

Revenue (1898) Department.

Rejn—regarding the refusal

MISCELLANEOUS SERIES.

G.O., No. 1929-30

DATED 3rd May

[Despatch Abstract.]

Addressing the Govt of India regarding refund of duty paid on kerosine oil imported into this Presidency and transported to Pondicherry by rail

BACK PAPERS.

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

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
		63/98.					

Revenue (1898) Department.

CURRENT No. 2149

From

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

Order

His **No.** 947

Dated 10th March 1898

Received 17-

Registered 17-

Enclosures

Spare copies

SUBJECT.

Submitting for the orders of Government a request of Messrs. Best & Co: for grant of drawback on ---- Kerosine oil exported to Pondicherry by land.

BACK PAPERS.

G.O.	No.	Department.	Date.
G.O.	3092		3-8-96
"	2809		16-7-96
"	2808		16-7-96
"	2582		2-7-96
"	116-17		2-6-96
"	2193		21-5-97

FURTHER PAPERS.

G.O.	No.	Department.	Date.

1,000
19-4-95.

REVENUE BOARD OFFICE MADRAS

10

Proceedings of the Board of Revenue

(Separate Revenue),

Dated 10th March 1898. ~~189~~ .

His No. 947

Read again Board's Proceedings His No:554 dated 12th February 1898, forwarding to the Collector of South Arcot copy of a letter of Messrs. Best & Co. informing the Board of the approaching importation of a large shipment of Kerosine oil and drawing his attention to Government Order No:822 Judicial dated 18th June 1897 regarding the course to be followed in case the oil is imported into British territory.

RESOLUTION:-

Messrs. Best & Co. report that Pondicherry has hitherto been getting its supplies of Kerosine oil from Madras, but that they now learn that a large shipment of the oil will be directly imported into that Settlement shortly. They therefore request (1) that special precautions may be taken to prevent its being smuggled into British territory and (2) that drawback of import duty may be granted on oil exported by them to Pondicherry by land.

2. With reference to the first point, the attention of the Collector of South Arcot has been drawn to the instructions contained in G.O No:822 Judicial, dated 18th June 1897 regarding imports of petroleum by land from Pondicherry.

3. As regards the second point, the Board submits for the orders of Government the question whether the present case does not deserve to be as favourably treated as that of the cotton Mill owners of Pondicherry who were allowed to bring their Mill manufactures into British territory free of duty and export --- them by sea Via Tuticorin Vide G.O His No:2582 Revenue, dated 2nd July 1896. Messrs. Best & Co. import the oil in bulk by sea and pay import duty on it. If they re-exported it by sea to Pondicherry - they would be entitled to a drawback of seven-eighths of the duty under section 42 of the Sea Customs Act. But no drawback can be -- allowed under the Land Customs Act, in the case of exports by land Messrs, Best & Co. state that it is impracticable to export oil - in bulk by sea for such a short distance. Their present practice is to despatch the oil by the South Indian Railway in tank ----- waggons which carry a known quantity, and they propose to post an Agent on the Frontier to open the waggons in the presence of the Customs Officials . Although the case of the Cotton Mill owners of Pondicherry is not exactly similar to the present case the --- principle on which the former case was decided would seem to --- apply to the latter also. The British Government would gain an --- indirect advantage by the concession applied for if, by granting it, direct shipment of the oil to Pondicherry with its accompanying danger of smuggling were stopped.

/True Copy/.

Rud Thurlby
10/3
Acting Assistant Secretary.

To the Secretary to Government, Revenue Department.

Copy to the Collector of South Arcot.

10/3/98

B.P. 942 - (Geo 2179)
10-3-98

To Secretary

Messrs Best & Co. import kerosine oil at Madras and transport a portion of it to Pondicherry by rail, finding it impracticable to re-export it by sea in bulk for such a short distance. They pay an import duty of one anna per Imperial gallon under article 16 of Schedule IV of Act XVI of 1894.

Sea Customs Manual put up

Sec. 42 of the Sea Customs Act permits of a drawback of seven-eighths of the duty being allowed if the oil be exported to Pondicherry by sea. The foreign requests that arrangement may be made for allowing a similar drawback on the quantity exported by land; and its request is supported by the Board of Revenue, which draws attention to the precedent in G.O. 2582 2-7-96

2. In the case referred

* The section has the proviso — provided the goods are "capable of being easily identified"

C. 5/4/98
10/4/98

to by the Board, mill owners at Pondicherry were allowed to transport cotton goods to Tuticorin without payment of duty on entering British territory, the good being in bond during transit. The principle, on which this concession was based, was that traffic on the S. I. Railway and export from British ports should be encouraged. These principles would apply to the present case also; only the grant of Messrs Best & Co's request would encourage imports at Madras; for if the concession were refused, the oil which Pondicherry requires might be imported direct into that port. A case for application to being made to the Govt of India appears therefore to be made out. There is no provision in existing enactments for the grant of drawback.

KQ
2/4/98

Hm. There appears to be no law by which the S. I. R. can allow the drawback on inland traffic: but they may be willing to do so by executive order.

S.H. 2/4/98

Hm's remarks on Office note under Ep. 606 12-2-98 C

To Secy

Please see draft to below.

KQ
23/4/98

Hm

Draft for approval

S.H. 24/4/98

D.N. 24/4/98

27/4/98

D.P. No 947 dt 10.3.98 (C. No 24) E

E.O. Minute No. 1929 dt 3.5.98.

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

To

The Govt of Madras (Dept. Revenue)

Letter No. 1930

To
The Secy to the Govt of India
Dept. of Finance & Commerce.

Sir,

I am directed to submit the following case for the favourable consideration and orders of the Govt of India :-

2. Messrs Best & Co, a firm of Madras merchants ~~under~~ import kerosine oil in bulk at Madras on payment of an import duty of one anna per Imperial gallon under Art 16 of Schedule II of the Indian Tariff Act (XI

(1) Note.
(2) H.E.

KD
2/4/98

transport a portion of it by rail to Pondicherry, in French territory, in such waggons carrying a known quantity, as they find it impracticable to re-export it by sea for so short a distance. Under Section 42 of the Sea Customs Act (VIII of 1878) a drawback of seven-eighths of the duty paid will be allowable, if the oil were exported to Pondicherry by sea, provided that it were capable of being easily identified. and the firm requests that a similar indulgence may be granted to it in the case of export by land, and proposes to post an agent on the frontier to open the waggons in the presence of the Customs Officials. His Excellency the Governor in Council is of opinion that it would be an indirect advantage to the British revenue inasmuch as the consumption direct shipment of the oil to Pondicherry, with its accompanying danger of smuggling into British territory

under G.O. 25-82 2.7.82.

the proposal if it can be given effect to will not only benefit British trade but will also indirectly tend to protect

KD
2/4/98

territory which is discouraged. I am accordingly to recommend that the Govt of India may be pleased to authorize this Govt if it can legally do so by executing an agreement with Messrs Best & Co's request. In this connection I am to invite attention to your letter No 2792 S.R dt 26.6.96 granting an indulgence in some respects similar to certain cotton mill owners of Pondicherry in order to encourage the import of their manufactures into British India for export by sea via Tuticorin.

KD
23/4/98

25/4/98

When given for copying ____
When copied ____
When examined ____ } 189 .
When signed ____

READ AGAIN G.O., No. DATED
189 ,

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT .. .. .. A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.

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