Excise Administration

Report

1878 – 79

EXCISE ADMINISTRATION REPORT

FOR FASLI 1288.

1878-79

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		Former Rate. RS. A. P.	Present Rate. RS. A. P.
Ganjam	30° Under proof ...	1 8 9	1 12 0
	60° do. ...	0 13 0	1 0 0
Vizagapatam ...	30° Under proof .	1 8 6	1 12 0
	60° do. ...	0 14 0	1 0 0
North Arcot ...	30° Under proof* ..	2 4 9	2 7 0
Nellore	30° Under proof ...	1 8 6	1 12 0
	60° do. ...	0 14 0	1 0 0
Salem	30° Under proof* ..	2 3 0	2 4 0
Coimbatore ...	30° Under proof ...	1 12 0	2 0 0
	60° do. ...	1 0 0	1 2 0
Nílgiris	20° Under proof ..	3 2 3	3 4 0
	30° do. ...	2 12 0	2 13 0
	60° do. ...	1 9 0	1 10 0
Bellary Cantonment.	30° Under proof ...	2 12 0	2 13 0
	60° do. ...	1 9 0	1 10 0

* The equivalent of the rate at 20° under proof, viz., Rs. 2-10-0 a gallon.

the cases marginally noted. This alteration of duty necessitated a readjustment of prices; but not only was this required in connection with the regulation of taxation, a careful adjustment of prices is essential to the proper working of the guarantee system. The guarantee is in fact a dowle and its efficacy in securing a certain revenue, and at the same time making it the interest of the renters to foster licit and repress illicit consumption, depends to a great extent on the nicety with which it is adjusted; but a justly settled guarantee will not alone secure the object in view unless prices are properly regulated. This regulation is a matter of great difficulty. As no preventive establishment is maintained by the State for the protection of the revenue, an allowance has to be made for the cost of protection thus thrown on the renters; moreover, the prices which can be got and the duties which can be levied in the rural tracts and in the towns are very different, and consequently rates which are high enough for the one may be far too high for the other; and to allow for this there must be an interval between maximum and minimum prices. The guarantee must be such that to pass into consumption gallons sufficient to make it good the renter shall be forced to spend a proper amount on protection and the prices must at the same time be so fixed that he shall not be tempted to content himself with the higher proportion of profit obtainable on the town consumption and abandoning the smaller profit obtainable in the rural tracts to add to his profits the sum which it was intended he should spend upon protection. For with prices far in excess of unavoidable charges the renter may find it more to his interest to pay up from his profits the deficiency resulting from a smaller consumption than that represented by the guarantee than to attempt to make it good by extending consumption at lower prices; and this is what has occurred to a greater or less degree in all excise districts. The renters have gone as near the maximum price as possible; they have largely reduced the number of places of sale; they have not been liberal in expenditure on prevention, and have generally sought to make the largest possible profit on the smallest number of gallons rather than a less certain and smaller profit on a larger consumption. The introduction of a maximum price was intended to limit the renter's profits on the urban and more lucrative consumption and in conjunction with the guarantee to compel them to extend consumption in rural and less profitable tracts; but under the last lease the scope allowed to renters in respect of prices was too great. The plan adopted was to allow one rupee at 30° under proof between duty and minimum and one rupee between minimum and maximum prices. The information collected regarding charges and profits showed that while one rupee between duty and minimum was too low, 2 rupees between duty and maximum price was far too high. The method adopted was from a consideration of the returns of charges actually incurred by the renters and of the outlay necessary to the efficient working of the farms to arrive at the sums which might reasonably be allowed for each item of charge, and then to fix the maximum price so as to leave a fair margin for profit. Thus the following items were admitted as proper charges for 30° under proof and 60° under proof liquor :—

	30° Under Proof. RS. A. P.	60° Under Proof. RS. A. P.
Cost of Liquor	0 10 0	0 6 0
Distribution	0 2 6	0 2 6
Establishment	0 5 6	0 5 6
Retailer's profit	0 4 0	0 4 0

and these rates in addition to duty were taken as determining the minimum price, the maximum being fixed some 6 or 8 annas higher in order to allow the renter an average profit of 4 annas a gallon.

3. On this principle the maximum price for 30° under proof was fixed at Rs. 1-12-0 in excess of duty instead of Rs. 2 as formerly, and the minimum price at Rs. 1-4-0 over duty; for 60° under proof the maximum was taken at Rs. 1-8-0 and the minimum at Rs. 1-4-0 above the duty. The following table exhibits the rates as settled :—

30° Under Proof.			60° Under Proof.			
Duty.	Maximum Price.	Minimum Price.	Proportionate Duty.	Rounded Duty.	Maximum Price.	Minimum Price.
RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
1 8 0	3 4 0	2 12 0	0 13 8	0 14 0	2 8 0	2 0 0
1 12 0	3 8 0	3 0 0	1 0 0	1 0 0	2 8 0	2 0 0
2 0 0	3 12 0	3 4 0	1 2 3	1 2 0	2 12 0	2 4 0
2 4 0	4 0 0	3 8 0	1 4 7	1 4 0	2 12 0	2 4 0
2 8 0	4 4 0	3 12 0	1 6 10	1 7 0	3 0 0	2 8 0
2 13 6	4 8 0	4 0 0	1 9 8	1 10 0	3 4 0	2 12 0

This adjustment of prices was certainly a step in the right direction, but the calculation of charges incidental to manufacture and sale were based on statistics of normal years, and experience has shown that sufficient allowance was not made to meet any enhancement of the cost of manufacture due to the occurrence of bad seasons and the high price of materials; hence the difference between the duty and maximum price, though perhaps sufficient in a normal season has proved inadequate during the year under report.

4. The difficulty of adjusting prices so as to secure the full duty which the inhabitants of towns can afford to pay without checking consumption in the rural tracts and stimulating illicit practices has already been adverted to. As a solution of the problem the experiment of levying a higher rate of duty than that imposed throughout the district upon all liquor sold in shops within the limits of large towns where the consumption of liquor is high was adopted. This is effected by levying a surcharge of 8 annas a gallon at 30° under proof and 4 annas a gallon at 60° under proof on every gallon of liquor sold in town shops as shown by the returns, a separate guarantee being required in respect of the revenue to be derived therefrom to ensure that such surcharge shall be duly brought to account. This system has been introduced experimentally into the towns of Vellore, Trichinopoly (with Srírangam,) Madura, Tinnevelly (with Palamcottah,) and Salem, and the result of the first year's working is satisfactory.

5. There is reason to think that malpractices by the shopkeepers themselves are a more fruitful source of loss of revenue than illicit traffic by outsiders; the facilities the shopkeepers have for such malpractices as selling under color of their licenses liquor manufactured by themselves are great; dilution is another most injurious practice as also short measure, and under the system in force no preventive establishments are maintained by the State for the protection of its revenue, but the duty is thrown upon the renters, whose interest will, it is supposed, induce them to do all that is needed. To ensure attention to this in settling the retail prices, allowance has been made for the cost of protection thus thrown on the renters and a sufficient margin between duty and price left to enable them to meet it, and the renters have been required to bind themselves generally to maintain reasonable establishments for the inspection of shops and the prevention of malpractices therein and of illicit sale. It is feared that this stipulation has not had much effect, the establishments maintained

in some districts being wholly inadequate; it is easy to evade any condition of this nature, and there is strong inducement to swell profits by curtailing expenditure under this head. As regards malpractices by the shopkeepers, to check short measure a stipulation has been introduced into their engagements under the new lease that the measures used by them shall be tested and stamped if the Collector so requires, and to stop dilution they have been required to provide themselves with hydrometers to be supplied by Government at their cost; the description of hydrometer supplied not being suitable however, this part of the scheme has failed, and practically therefore there is no check on dilution.

6. Advantage has been taken of the termination of the old contracts under which the exclusive privilege of manufacturing and selling country spirits was unreservedly conveyed to place superior spirits manufactured in the country on the same footing as imported spirits. The importation of British spirits of inferior quality by which the Abkári revenue is to some extent injuriously affected has increased of late years, and under the system hitherto in force manufacturers of superior spirits distilled in the country by improved appliances have been debarred from competing with the importers, inasmuchas the unrestricted sale of brandy manufactured in the country would have been an infringement of the monopolies which had been granted in the Mofussil and a breach of the law in the town of Madras. On the termination of the late contracts however it was notified that superior spirits manufactured on the European process would in future be freely excised under Section 12, Act III of 1864, and allowed into the market for sale on payment of the same rate of duty as that levied on imported spirits under the Tariff Act, viz., Rs. 4 a gallon for proof and lower strengths with a proportionate increase for strengths in excess of proof, the exclusive privilege granted to the monopolists being declared not to include the manufacture and sale of such spirits; the requisite alteration of the Madras Abkári Law was also effected. The country-cane brandies have thus been placed on an equality with imported spirits, but so far the concession has not been availed of except to a very limited extent. Amongst other improvements of minor importance the rate of wastage allowed to cover loss in distribution of the monopoly liquor after issue from the distillery was reduced from 5 per cent. to $2\frac{1}{2}$ per cent., which experience has shown to be sufficient with careful management.

7. The excise system was extended during the year to the districts of Cuddapah, Bellary, Madura and Tinnevelly, the principal division of Kurnool and the Wynaad Taluk of Malabar, whilst it was temporarily abandoned in a portion of Vizagapatam so that portions of Vizagapatam and Kurnool, the Godávari, Kistna and South Canara Districts and Malabar, except the Wynaad Taluk, are the only parts of the Presidency which are now managed under the old farming system. In the case of the inland taluks of the Vizagapatam District which were under excise during the last lease, the farming system was reverted to as in this tract the conditions essential to successful management of excise, viz., a dense population and a high rate of consumption of liquor of superior strength, are absent. The tract outside the town of Madras known as the "outside limits" has been amalgamated with the rest of the Chingleput District as regards the arrack contract. The "outside limits" were originally intended to interpose between the high-priced and highly-taxed liquor consumed in the town of Madras, and the cheap and more lightly-taxed liquor sold in the surrounding district of Chingleput, a belt of country in which the prices should be lower than in the former and higher than in the latter so as to diminish the incentive to smuggle liquor into the town; but the taxation of liquor in Chingleput having in recent years been brought nearer to the level of the town duty this precaution has been found unnecessary and has been abandoned. As regards toddy the only change was the completion of the separation of the arrack and toddy farms, which had during the last lease been carried out in all districts save Chingleput. An exception had been made in the case of this district, because the renter had made special efforts to develop the toddy revenue; in the year under report, however, the concession was withdrawn. The object of the separation was the development of the consumption of toddy which is both a cheaper and a more wholesome beverage than arrack. So long as the farms were conjoint renters found it profitable to encourage the sale of arrack and restrict the supply of toddy, and it was

thought that by leasing the farms to two independent renters with rival interests this state of things would be remedied. The result has answered expectations to a great extent; on the Western Coast where arrack is distilled from toddy and the arrack renter is dependent for his material for distillation on the assistance of the toddy renter, there has been friction, but elsewhere the system has worked smoothly and the separation has led to a considerable increase of revenue as was anticipated.

8. The question of the taxation of country-brewed beer which is not included in the Abkári contracts was also reconsidered during the year under report. Prior to 1872 a revenue was derived from country-brewed beer in the shape of license fees for manufacture and retail vend; in that year a duty of one anna per gallon was substituted for a license fee for brewing; no restriction as to the places where brewing might be carried on was imposed till 1875, but as the liquor sold under this name was found to be a mere spirit-wash the permission to brew on the plains was withdrawn, the rate of excise duty was raised to 4 annas a gallon, and brewing was restricted to beer made of malt, hops and sugar only, the proportion of sugar and hops to be used in the manufacture being defined and the alcoholic strength being limited to 8 per cent. These conditions having been found to be unduly restrictive, a relaxation has been allowed with a view to the encouragement of the production of sound beer, and the duty has been reduced to the original rate of one anna on condition of its alcoholic strength not exceeding 6 per cent.

9. The necessity for amending the Abkári Law also came under discussion; the existing law (Act III of 1864) had proved insufficient to check illicit practices, and the renters complained of the difficulties experienced by them in working their farms. A Bill was therefore framed to remedy the defects complained of; its chief features were that the mere possession of stills or other implements for the manufacture of liquor by an unlicensed person as also of liquor illicitly manufactured was rendered a penal offence; heads of villages were authorized to search for and seize such instruments of manufacture and liquor and required to assist Revenue officers and the Agents of Abkári renters demanding their aid; servants of Government and of Municipal and Local Fund Boards were required to give notice of unlicensed manufacture and owners and occupiers of land permitting manufacture of liquor thereon otherwise than by license were subjected to heavy fine; the powers of the Police were enlarged and provision made for granting rewards more freely to informers and officers detecting infringements of the Abkári law. Advantage was taken of the opportunity to effect some other minor alterations and define more clearly expressions which had given rise to doubts. The Bill was passed and came into force from the 29th May 1879.

10. It was noticed in the reports for the last two faslis that the consumption of liquor had been seriously affected by the loss of population during the famine and by the high prices of food-grains which placed indulgence in liquor out of the reach of the poorer classes. The disappearance of the famine in Fasli 1288 naturally led to some improvement in consumption in some districts, but the effects of the late famine were still being more or less felt. The agricultural season was on the whole decidedly more favorable than in Fasli 1287, but the different parts of the country did not benefit in an equal degree. The south-west rains were exceedingly plentiful and the Districts of South Canara, Malabar, Ganjam, Vizagapatam, Godávari, Kistna, Bellary, Cuddapah, Kurnool, Salem, and North Arcot, which chiefly depend on this monsoon, enjoyed a good season, as did also parts of South Arcot and Coimbatore and the Deltaic portion of Tanjore which depends upon irrigation from the Cauvery channels fed by the rains of the south-west monsoon; the Districts of Ganjam, Vizagapatam, and Godávari, however, suffered from excess of rain and cyclones. The north-east monsoon on the other hand was very deficient and the central and southern parts of the Presidency, viz., the greater part of Nellore, Chingleput, the Uplands of Tanjore, Trichinopoly, Madura, Tinnevelly, and parts of Coimbatore and South Arcot fared more or less badly.

11. The following statement shows the consumption of liquor in each district during the last four years; the figures, especially those for the rented districts, cannot be entirely relied on as representing the true consumption, but they may be accepted as indicating in a general way the effects of the famine. The sales were of course largest in Fasli 1285 or the year preceding the famine, and in none of the districts has that standard been reattained. In Cuddapah, Bellary, North and South Arcot, Madura, Coimbatore, and South Canara consumption has improved as compared with the previous year; in Vizagapatam the increase is due to the greater completeness of the returns in which unexcised liquor was not included in previous years; in Chingleput and Nílgiris the increase is due to the transfer of the tract known as the outside limits, and the Wynaad Taluk from Chingleput and Malabar respectively; in Nellore, Tanjore, Trichinopoly, and Salem the consumption is stationary, and in Tinnevelly the returns for the year under report are incomplete. The other districts show a falling off due to the following causes:—In Ganjam to the enhancement of the duty on the weaker liquor which operated to diminish consumption; in Godávari to the unpropitious character of the season; in Kistna to the extension of the Amani system which was found unsuited to the circumstances of the district; in Kurnool to the novelty of the Excise system and the Renter's mismanagement; in Madras partly to the transfer of the outside limits to Chingleput and partly to the prevalence of high prices and dullness of the grain trade; and in Malabar to the transfer of the Wynaad to the Nilgiris:—

Districts.	Fasli 1285.	Fasli 1286.	Fasli 1287.	Fasli 1288.
	GALS.	GALS.	GALS.	GALS.
Ganjam	88,615	88,431	60,573	34,006
Vizagapatam	28,160	28,442	27,426	93,493
Godávari	278,704	345,177	294,657	252,594
Kistna	140,772	120,310	121,488	96,661
Nellore	39,134	36,651	37,518	37,207
Cuddapah	113,317	66,836	56,371	58,818
Bellary	218,951	94,069	59,452	93,331
Kurnool	136,953	52,176	33,728	22,796
Madras	199,292	192,368	192,444	149,540
Chingleput	39,890	23,711	25,955	44,566
North Arcot	113,383	74,620	62,624	91,585
South Arcot	72,427	71,418	45,460	53,983
Tanjore	62,395	54,261	48,606	47,247
Trichinopoly	56,340	55,269	46,259	45,645
Madura	114,666	46,599	32,865	44,696
Tinnevelly	158,092	107,077	79,765	42,460
Coimbatore	83,150	69,059	58,505	60,781
Nílgiris	32,614	30,683	28,586	55,612
Salem	95,234	76,289	58,667	58,494
South Canara ...	78,353	76,385	61,982	74,224
Malabar	114,731	107,050	82,973	51,710
Total ...	2,265,173	1,816,881	1,515,904	1,509,449

The facts connected with the Abkári management in each branch will now be noticed in detail.

EXCISE DISTRICTS—ARRACK.

12. The result of the new lease, as far as the old Excise districts are concerned, was an increase in the guaranteed revenue in all districts except North Arcot, Tanjore, Salem, and Coimbatore; in the last three districts the guaranteed amounts under the last lease were far too high and

the renters were allowed to pay duty on issues only from the commencement of the lease. In Vizagapatam the decrease in the guaranteed amount is due to the restriction of the Excise system to the Coast Taluks and in Chingleput to the fact that the toddy revenue was leased separately, whereas under the last lease it was farmed out conjointly with arrack, the guarantee including both. In the new Excise districts the guaranteed amounts fell considerably short of the old rental except in the Wynaad Taluk of Malabar. This was owing not only to the novelty of the system but chiefly to the fact that the districts concerned had been seriously affected by the famine and bidders were deterred from offering such large sums as had been realized before the famine. As it was, in most of the Excise districts the demand proved too high as the extent to which the population had been reduced and the resources of the people had been affected was not foreseen at the time when the farms were let. Consequently the renters generally failed to meet their engagements with punctuality and proposals were made to afford some relief; the Government, however, decided that the terms of the contract should be enforced, but allowed those who had taken more than one Excise farm to throw up whichever they were not disposed to retain at the expiration of the fasli on payment in full of all arrears. Accordingly Bellary, Trichinopoly, Tanjore, Madura, and Tinnevelly farms were relinquished and leased afresh at a considerable reduction. The following statement shows the guaranteed amounts under the present lease in comparison with those under the previous lease, as well as the result of resale:—

Districts.	Guaranteed amount or rental for Fasli 1287.	Guaranteed amount for Fasli 1288.	Result of resale.
	RS.	RS.	RS.
Ganjam	66,000	75,000	...
Vizagapatam	27,073	25,000	...
Nellore	61,000	1,01,000	...
Chingleput	1,75,000	1,35,000	...
Bellary Cantonment ...	1,00,600	1,20,684	...
North Arcot	2,42,000	1,42,662	...
South Arcot	1,24,000	1,36,000	...
Tanjore	1,80,000	1,12,000	95,000
Trichinopoly	1,10,000	1,12,000	95,000
Coimbatore	2,70,000	1,50,000	...
Nílgiris	80,500	1,00,500	...
Salem	3,41,000	1,77,584	...
New Excise Districts.			
Cuddapah	2,16,881	1,25,000.	...
Bellary District	3,01,950	1,90,000	95,000
Kurnool	1,19,350	81,000	...
Madura	1,71,471	1,32,000	80,000
Tinnevelly	1,37,000	1,10,000	65,000
Wynaad, Malabar ...	48,000	65,500	...

13. Ganjam.—Messrs. Minchin and Co. obtained a renewal of the Abkári lease of this district for a further period of three years, commencing with the fasli under report, the minimum revenue guaranteed by them being Rs. 75,000, or Rs. 9,000 more than the sum guaranteed under the previous rent. The contract relates to the sale of liquor at strengths 30° under proof and 60° under proof alone; spirits of higher strength and milk punch, which under the former rent was permitted to be sold on payment of proportionate rates of duty, are now separately excised at rates applicable to imported European spirits. Messrs. Minchin and Co. supply the Vizagapatam District of which also they hold the lease from their distillery at Aska; they manufacture considerable quantities of rum for export, and supply liquor to the Madras Commissariat Department and to Cuttack and Pooree; they also supply the Maliahs under special arrangements described in previous reports. The statistics given below refer exclusively to the transactions of the renters in the plain tracts of the Ganjam District.

14. The rate of duty for the monopoly excise liquor was enhanced under the new contract from Rs. 1-6-9 to Rs. 1-12-0 for 30° under proof and from annas 13 to 1 rupee for 60° under

proof. The maximum and minimum prices prescribed are shown below contrasted with the prices under the former rent:—

—	Former Contract.		Present Contract.	
	Maximum.	Minimum.	Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
30° Under proof ...	3 8 0	2 12 0	3 8 0	3 0 0
60° Do. ...	2 0 0	1 8 0	2 8 0	2 0 0

15. The quantity excised reduced to 30° under proof amounted to 36,103 gallons, on which a net duty of Rs. 61,602 was collected. The renters had accordingly to make good a deficiency of Rs. 13,398.

The following statement shows the stock account in depôts and shops; the distillery transactions are not shown, because liquor is not manufactured exclusively for the Ganjam monopoly, and the stock appertaining to it cannot be separated. The wastage in the distillery appears to have been 2·44 per cent.:—

—	Depots.	Shops.
Balance on 1st July 1878 ...	3,090	...
Manufactured and received ...	36,103	32,261
Total...	39,193	32,261
Issued and sold	32,261	32,261
Wasted...	110	...
Total ...	32,371	32,261
Balance ...	6,822	...

The wastage in depôts was very small, amounting to only ·28 per cent.; the true duty, taking the saving in the allowance for wastage into account, was therefore Rs. 1-11-5 per gallon at 30° under proof.

16. The quantities of liquor of the several strengths issued to shops during the year are compared below with the corresponding figures of the previous year:—

	30° Under Proof.	60° Under Proof.
Fasli 1287	4,749	74,364
„ 1288	5,932	46,076

The very large decrease in the issues of the weaker liquor is attributed to the enhancement of the selling price, combined with the high prices of food-grains which ruled during the greater part of the year. Illicit practices are no doubt rife in this district, but there is no reason to think that they are much more prevalent now than before, and as the law is very rigorously enforced, and heavy punishments are inflicted by the Magistracy, it is considered by the Collector that illicit distillation cannot be sufficiently general to affect sales to such an extent. The increase in the sales of 30° under proof was due to the levy of duty on proof liquor and milk punch at the import rate, which by diminishing the sales of those liquors stimulated the demand for the cheaper monopoly liquor.

17. The following statement compares the monthly sales to shopkeepers in Faslis 1287 and 1288:—

Months.	Fasli 1287.		Fasli 1288.	
	30° Under Proof.	60° Under Proof.	30° Under Proof.	60° Under Proof.
July 1878 ...	446	6,306	378	3,260
August „ ...	356	5,707	392	3,210
September „ ...	347	5,473	414	3,220
October „ ...	465	6,579	475	3,550
November „ ...	444	6,445	397	3,073
December „ ...	519	6,753	526	3,427
January 1879 ...	559	8,729	741	5,724
February „ ...	316	5,900	547	3,922
March „ ...	372	6,887	534	4,355
April „ ...	334	5,668	507	4,105
May „ ...	337	5,379	519	3,834
June „ ...	254	4,538	501	4,396
Total ...	4,749	74,364	5,931	46,076

The decrease in the sales of the weaker liquor is observable in every month. Unlike other districts, in which the sales from January to June are affected by the toddy season, the largest quantity of liquor is sold during the latter half of the year.

18. The returns of shopkeepers, who are as a rule illiterate, are imperfect and inaccurate and cannot be relied upon as representing the true consumption. The following statement shows the monthly sales by shopkeepers so far as reported and the average prices obtained:—

Months.	Sales.			Percentage of each Strength.		Per cent. of Sales Monthly.	Average Retail Price.		
	60° Under Proof.	30° Under Proof.	Total.	30° Under Proof.	60° Under Proof.		60° Under Proof.	30° Under Proof.	Both.
							RS. A. P.	RS. A. P.	RS. A. P.
July	2,588	334	2,922	89·6	11·4	8·6	2 0 5	3 7 6	2 3 1
August	2,417	313	2,780	88·5	11·5	8·0	1 13 10	3 8 0	2 0 10
September	1,721	318	2,039	84·4	15·6	6·0	1 13 9	3 8 0	2 1 9
October	2,788	700	8,488	79·9	20·1	10·3	1 14 3	3 8 7	2 4 0
November	1,876	70	1,946	96·4	3·6	5·7	1 14 3	2 15 1	1 14 10
December	2,078	148	2,226	93·3	6·7	6·6	1 13 10	8 8 8	1 15 7
January	3,699	598	4,297	86·1	13·9	12·6	2 0 2	3 7 3	2 3 5
February	2,931	404	3,335	87·9	12·1	9·8	1 13 6	3 8 4	2 0 9
March	2,958	412	3,370	87·8	12·2	9·9	1 14 2	8 8 0	2 1 4
April	2,762	375	3,137	88·0	12·0	9·2	1 11 8	8 9 3	2 2 1
May	2,239	72	2,311	96·9	3·1	6·8	1 14 7	3 5 7	1 15 4
June	2,163	42	2,205	98 1	1·9	6·5	1 13 3	3 8 0	1 13 9
Total ..	30,220	3,786	34,006	88·9	11·1	100·0	1 14 6	3 8 0	2 1 4

In several cases the average prices given in the above statement are outside the maximum and minimum limits prescribed; this is stated to be due to errors in the shop returns.

19. The following statement shows the particulars of consumption in different portions of the district. Being based on the shopkeepers' returns, these figures are not reliable, but they are given for what they are worth:—

Taluks or Divisions.	Population.	Area in Square Miles.	Number of Shops.	Consumption.		Consumption per Head.	Sales per Shop.		Square Miles to each Shop.	Population per Shop.
				Gallons.	Amount.		Quantity in Gallons.	Amount.		
					RS.					
1. Goomsur	158,290	1,270	70	5,296	10,801	·033	75·7	154	18·1	2,261
2. Aska, Dévabhúmi, Dhárákot, Badagada, Serghar, Kurla, Pedda Kimedi, Chinna Kimedi	142,548	676	59	792	1,629	·004	13·4	28	11·4	2,416
3. Hautghur, Kallikot, Biridi ..	130,777	507	45	1,544	3,211	·012	34·3	71	11·3	2,906
4. Berhampore, Hanima, Palúr.	250,612	570	183	8,979	23,208	·036	48·1	129	3·1	1,369
5. Suranji, Chíkati, Báruva, Jarada, Jalantra, Mandasa, Bodarasingi ..	124,177	510	77	7,782	12,719	·063	101·1	165	6·2	1,613
6. Tarlá and Tekkali	100,893	227	54	2,842	5,794	·028	52·6	105	4·2	1,868
7. Parla Kimedi	252,391	662	178	6,297	12,547	·025	35·4	70	3·7	1,418
8. Chicacole, Palaki, Verlan, Karakavalsa	226,091	455	56	474	986	·004	8·5	18	8·1	4,037
Total ..	1,885,779	4,877	722	*34,006	70,895	·025	47·1	98	6·7	1,919

* 30° Under proof 3,786 gallons.
60° Do. 30,220 do.

The number of shops open was reduced considerably during the year (being 722 against 966 in the previous year) owing to the falling off in the demand for liquor.

20. The following table gives the particulars of the consumption of the different strengths of liquor in the Municipal towns of Berhampore and Chicacole during the fasli under report :—

Strengths.	Berhampore.	Chicacole.
	Sales to Shopkeepers.	Sales to Shopkeepers.
	GALS.	GALS.
30° Under Proof	3,847	78
60° Do.	3,102	4,306
Total ...	6,949	4,384
Population ...	21,670	15,587

The consumption of 30° under proof in the two Municipalities is nearly two-thirds of the entire consumption of the district, and that of 60° under proof a little less than one-sixth. The reason for the large difference in the sales of 30° under proof between the two towns is stated to be that the trade of Berhampore is increasing and that of Chicacole languishing

21. The renter's financial statement shows the charges during the year exclusive of the value of liquor on hand at the beginning of the year to have amounted to Rs. 1,30,273. Of this amount Rs. 25,271 are taken as the cost of liquor at 1 rupee per gallon at proof. This rate, however, includes depreciation at 10 per cent. on the value of buildings and dead stock amounting to 1 anna a gallon, and interest on block and floating capital at 2 annas a gallon; these items will be excluded as a separate allowance will be made for depreciation, and the interest on capital invested in the business forms a portion of the profits; the cost of liquor will be taken at 13 annas per gallon at proof. Depreciation will be allowed at 12 per cent. on the value of dead stock and tools and plant; the total amount sunk in dead stock and tools and plant is stated to be Rs. 50,000, of which about one-fourth is debitable to the monopoly contract; the depreciation allowance will thus be Rs. 1,500. The cost of gauging establishment shown under other items will be transferred to the cost of liquor, and interest on duty will be excluded. The charges thus classified will be as follows :—

	RS.
1. Depreciation	1,500
2. Cost of liquor	21,378
3. Cost of distribution	14,217
4. Establishment...	6,982
5. Sundries	2,069
6. Duty	75,000
7. Vendor's commission	5,695
Total ...	1,26,841

Adding to the above the value of liquor in depots at the beginning of the year, viz., 3,090 gallons at Rs. 2-14-3 or Rs. 8,932, the total charges amount to Rs. 1,35,773. The incidence of the charges per gallon under the several heads is as follows :—

—	Per actual Gallon sold both 30° Under Proof and 60° Under Proof.	Per Gallon 30° Under Proof.	Per Gallon 60° Under Proof.
	RS. A. P.	RS. A. P.	RS. A. P.
1. Depreciation	0 0 5	0 0 8	0 0 4
2. Cost of liquor...	0 6 2	0 10 0	0 5 9
3. Cost of distribution	0 3 10	0 3 10	0 3 10
4. Establishment	0 1 11	0 1 11	0 1 11
5. Sundries	0 0 6	0 0 6	0 0 6
6. Duty	1 3 10	2 0 5	1 2 6
7. Vendor's commission ...	0 1 9	0 1 9	0 1 9
Total ...	2 2 5	3 3 1	2 0 7
Renter's Profit or Loss ...	...	+ 0 4 11	− 0 1 0
Renter's Price ...	2 2 5	3 8 0	1 15 7

The renters lost 1 anna per gallon on liquor at 60° under proof, but made a profit of 4 annas 11 pies per gallon on liquor at 30° under proof; taking the two together there was no profit or loss. The renters were able to effect considerable reduction in the cost of liquor owing to the cheapness of materials. The vendor's commission includes an allowance to a native manager at 2 per cent. on the sales amounting to Rs. 2,237. Deducting this sum, the commission paid to shopkeepers comes out as 1 anna 1 pie per gallon. As a portion only of the sales was on the commission system, the actual rate would be somewhat greater. The renters give it as 10 pies per rupee, which is probably near the truth. It is not possible to calculate what remuneration was obtained by shopkeepers who bought the liquor from the renters and sold on their own account; they must have lost heavily, as Rs. 6,129 are stated to have been levied as penalties for short sales under the dowle system.

22. The receipts on account of liquor sold amounted to Rs. 1,11,813 and miscellaneous receipts to Rs. 6,931.* Adding to these the value of liquor on hand at the end of the year, viz., 10,827 gallons at 60° under proof at Rs. 1-12-4 and 635 gallons at 30° under proof at Rs. 3-0-11, total Rs. 21,114 the assets may be taken at Rs. 1,39,858. The result of the year's transactions was therefore a profit of only Rs. 4,085.

	RS.
* Amount charged for empty bottles	52
Losses recovered from shopkeepers	6,129
Interest on Government securities deposited ..	750
Total ..	6,931

23. The following statement shows the transactions connected with liquor supplied to the Maliahs:—

Strengths.	Issues.		Sales.	
	Fasli 1287.	Fasli 1288.	Fasli 1287.	Fasli 1288.
60° Under Proof	24,377	12,352	18,448	15,936
30° do.	...	50	...	27
Proof rum	22	...	20	7
Brandy	22	...	22	15
Milk punch	13	...	9	15
Total ...	24,434	12,402	18,499	16,000

The large diminution in the sales as compared with the figures of the pervious year is ascribed to the surreptitious distillation of liquor by Soondies under cover of permission granted to the Khonds to distil liquor for their private use. Illicit liquor is also reported to be smuggled into the Maliahs over the Bengal frontier. The duty collected on sales amounted to Rs. 2,071 against Rs. 2,461 in the previous year. Thirteen depots and sixty-eight shops are maintained for the supply of liquor. The renter's receipts amounted to Rs. 19,555 and their charges to Rs. 16,395, so that they made a profit of Rs. 3,160.

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24. Vizagapatam.—The changes which it was found necessary to introduce in the Abkári administration of this district, when the leases were renewed, have already been stated. The coast taluks consisting of Vizagapatam, Bimlipatam, Vizianagrum, Chípurupalle, Anakápalle, Sarvasiddhi, and Golgonda (with the exception of the Agency tracts) were leased out again for three years on the excise system, Messrs. Minchin and Co. being the successful tenderers; whilst the inland taluks, which comprise the tracts in which the Vippa liquor is consumed, namely, Gajapatinagar, Bobbili, Sálúr, Pálkonda, Párvatipur, Viravalli, Srungavarapukotta, Rayaghada, and Gunupur were rented for eighteen months only, a limit being placed on the number of stills allowed, the intention being to make a still further reduction at the expiration of this period in leasing these taluks afresh in view to the reintroduction of the excise system. The Abkári of the Kotapad, Malkangiri, and Nowrangapoor Taluks of Jeypore were as usual managed by the Special Assistant Agent, whilst the Koraput Taluk of Jeypore with Hill Mádugula and Hill Pachipenta continued under rent, the lease of this portion of the district having been granted from Fasli 1286 to 1288. The Golgonda Agency tracts were leased out for one year only, Fasli 1288.

25. Excise.—The coast taluks were rented out to Messrs. Minchin Brothers and Co., the minimum amount guaranteed being Rs. 25,000. The subjoined statement shows the strengths of liquor to be issued, the rates of duty payable thereon, and the maximum and minimum prices prescribed. Towards the close of the year the minimum price of the weaker liquor was reduced to Rs. 1-12-0 in consequence of representations that the increase of price, which was only Rs. 1-12-0 under the last lease, had seriously affected the sales:—

—	Price per Gallon.		
	Duty.	Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° underproof ...	1 12 0	3 8 0	3 0 0
60° do. ...	1 0 0	2 8 0	2 0 0

26. The following abstract shows particulars regarding manufacture and issue of liquor; the liquor is manufactured at the renter's distillery at Aska in the Ganjam District and brought by sea to a depôt at Bimlipatam:—

—	30° Underproof.	60° Underproof.	Total reduced to 30° Underproof.
Balance of stock at the beginning of the year in the several depôts	508	1,346	1,277
Received from distillery	19,820	575	20,148
Total ...	20,328	1,921	21,425
Issued to shops	18,492	1,113	19,128
Wastage...	797	193	907
Total ...	19,289	1,306	20,035
Balance on 30th June 1879 ...	1,039	615	1,390

This statement includes the wastage in the Central Depôt. The wastage amounts to 4·23 per cent. against the sanctioned allowance of 2·5 per cent.

27. The subjoined table shows the issues of liquor of different strengths from the Central Depôt, the duty thereon, and the quantity issued to shopkeepers, with the amount realised from them:—

Strength.	Issues Gallons.	Duty.	Sales to Shopkeepers Gallons.	Amount.
		RS.		RS.
30° Under Proof ...	29,820	34,685	18,492	60,491
60° Under Proof ...	575	575	1,113	2,309
Total ...	20,395	35,260	19,605	62,800

The stronger liquor predominates. The sales at 30° underproof are 97·18, and those at 60° underproof are 2·82 per cent. of the whole, the falling off in the latter as compared with Fasli 1287 being due to the separation from the excise farm of the Vippa country where it is mostly consumed.

28. The sales during the several months with the average prices are shown below :—

Months.	Quantity sold in actual Gallons.	Percentage.	Average Price.
1878.			RS. A. P.
July	1,464	7·47	3 6 10
August	1,609	8·20	3 7 4
September	1,562	7·97	3 6 10
October	1,753	8·94	3 6 1
November...	1,584	8·08	3 7 0
December	1,979	10·10	3 6 0
1879.			
January	2,164	11·04	3 6 11
February	1,374	7·	3 6 11
March	1,426	7·28	3 7 3
April	1,421	7·24	3 7 3
May	1,604	8·18	3 7 3
June	1,665	8·50	3 6 11
Total ...	19,605	100·	3 6 10

There was an increase in the months of December and January which is attributed to the cold season and to the occurrence of the Pongal festival.

29. The following statement shows the particulars regarding consumption, &c. Owing to the difficulty experienced in procuring returns from shopkeepers who are illiterate, these statistics are based on the sales by the Depôt Gumasta to the Retail Vendors and do not represent the actual sales to the public, but are sufficiently approximate :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sale per Shop in Gallons.	Square Mile per Shop.	Population per Shop.	Average Retail Price.
					RS.					RS. A. P.
Anakápalle	165,346	597	18	1,293	4,499	·007	71·83	33·16	9,186	3 7 8
Bimlipatam	106,118	248	39	3,886	13,255	·036	99·64	6·23	2,721	3 6 7
Chipurupalle	201,985	615	31	594	1,724	·002	19·16	19·84	6,516	2 14 5
Golgonda	93,942	540	18	512	1,753	·005	28·44	30·	5,219	3 6 9
Vizagapatam	79,195	216	56	7,758	26,856	·097	138·53	3·85	1,414	3 7 4
Vizianagrum	136,839	333	37	5,101	17,680	·037	137·36	9·	3,698	3 7 5
Sarvasiddhi...	184,708	960	24	462	1,461	·003	19·25	40·	5,613	3 2 7
Total ...	918,128	3,504	223	19,606	67,228	·021	87 91	15·71	4,117	3 6 10

The average consumption in this tract during the year was ·021 against 018 in Fasli 1287. The rate of consumption in Vizagapatam is ·097 against ·071, showing an increase of ·026 per head. There is a slight increase also in Vizianagrum and Anakápalle by ·01 and ·002 respectively, while the sales in Bimlipatam, Chipurupalle and Golgonda have fallen off as per margin. The causes of these variations have not been explained. The number of shops opened during the year was 223 against 182 in Fasli 1287. The increase or decrease in the rate of consumption in the several taluks cannot be attributed to an addition to, or diminution in, the number of shops opened, for in Vizagapatam, where the number of shops in both years was the same, the rate increased by nearly a fourth, while in Sarvasiddhi, where the number of shops was doubled, the consumption remained the same. The maximum price (Rs. 3-8-0) is stated to have been charged throughout the year in every taluk for 30° underproof, and a mean between maximum and minimum prices Rs. 2-4-0 for 60° underproof, but the shop returns are, as already stated, unreliable.

—	Fasli 1287.	Fasli 1288.	Difference.
Bimliputam	·044	·036	·008
Chipurupalle	·003	·002	·001
Golgonda	·009	·005	·004

30. In the renter's financial statement the charges are stated to have amounted to Rs. 67,833. The cost of liquor is calculated at the rate of Rs. 1-2-0 per gallon of proof liquor, the rate admitted in the case of the Ganjam contract being Annas 13 a gallon. The same rate will be allowed. The sum sunk in buildings and plant in connection with the distillery at Aska is

Rs. 50,000, and depreciation thereon at 12 per cent. amounts to Rs. 6,000. Of this sum, Rs. 840, or 14 per cent., will be charged to the Vizagapatam contract in the proportion of the quantity of liquor issued on account of the Vizagapatam contract to the total quantity manufactured. The marginally-noted items will be disallowed. Thus modified, the charges amount to Rs. 60,863, classified as follows :—

	RS.
1. Cost of deterioration on hogsheads, iron-rivets ..	438
2. Supervision fee to Minchin and Co.	2,400
3. Penalty on registering Abkári agreements ..	280
Total ..	3,118

	RS.
(1.) Depreciation	840
(2.) Cost of liquor	11,386
(3.) Cost of distribution	9,051
(4.) Establishment	4,666
(5.) Sundries	514
(6.) Duty	34,379
(7.) Vendor's commission	27
Total ...	60,863

Adding to these the value of liquor on hand at the beginning of the year in depôts, 1,277 gallons at 30° under proof at Rs. 3-8-2, the total charges amount to Rs. 65,346. The incidence of the charges under the several heads per gallon was as follows :—

—	Per Gallon 30° Under Proof.	Per Gallon 60° Under Proof.	Per Actual Gallon.
	RS. A. P.	RS. A. P.	RS. A. P.
(1.) Depreciation...	0 0 9	0 0 5	0 0 9
(2.) Cost of liquor	0 9 11	0 5 8	0 9 7
(3.) Cost of distribution .. .	0 7 5	0 7 5	0 7 5
(4.) Cost of Establishment ...	0 3 9	0 3 9	0 3 9
(5.) Sundries	0 0 4	0 0 4	0 0 4
(6.) Duty...	1 12 3	1 0 3	1 11 4
	3 2 5	2 1 10	3 1 2
Renter's profit	0 1 11	0 0 8	...
	3 4 4	2 1 2	...

The renters thus lost 8 pies per gallon on liquor at 60° under proof and made a profit of 1 anna 11 pies on liquor at 30° under proof; their profit on the whole was 1 anna 9 pies. There was considerable diminution as compared with last year in the cost of liquor owing to cheapness of materials and in the cost of distribution owing to the inland parts of the country having been detached from the excise farm. The renter's statement shows 2,169 gallons to have been sold under the commission system, whilst the amount of commission exhibited is only Rs. 27. Most of this liquor must have been sold by Depôt Gumastahs whose salaries are charged to the head "Distribution." Liquor at 30° and 60° under proof is stated to have been sold by shopkeepers to the public at Rs. 3-8-0 and Rs. 2-4-0 respectively, and if this be so, the shopkeeper's remuneration as regards liquor not sold on the commission system would be 3 annas 8 pies and 2 annas 10 pies for the two strengths the average being 3 annas 7 pies.

31. The receipts on account of liquor sold amounted to Rs. 62,890 and miscellaneous receipts to Rs. 296. Adding to these the value of stock on hand at the end of the year, 1,039 gallons at Rs 3-2-5 and 615 gallons at Rs. 2-1-10, or Rs. 4,574, and the interest on promissory notes deposited namely, Rs. 250 the total assets may be taken at Rs. 67,920. The result of the year's transactions was therefore a profit of Rs. 2,574.

32. Nellore.—The arrack farm of this district was leased out to two Native Contractors, Burla Runga Reddy and Dumegunta Kodunda Ramasami Reddy, who guaranteed a minimum revenue of Rs 1,01,550. This sum is considerably higher than the revenue guaranteed during the last lease and would require a consumption of 58,000 gallons of liquor at 30° under proof which is far in excess of the sales during any year of the previous lease, the highest being 39,657 gallons in Fasli 1285. Although the farm was not properly worked by the late renters, the consumption

was clearly much overestimated, and the present renters have sustained very heavy loss. The conditions as to the rates of duty and the maximum and minimum prices are shown below :—

—	Duty.	Selling Prices.	
		Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° Under proof ...	1 12 0	3 8 0	3 0 0
60° do. ...	1 0 0	2 8 0	2 0 0

The quantity of liquor excised was 38,770 gallons 45 drams at 30° under proof on which the net duty amounted to Rs. 66,151-5-0, and the renters had to make good a deficiency of Rs. 35,398-11-0.

33. The subjoined statement shows the stock account in distilleries, depôts, and shops :—

—	Distillery.	Depôts.	Shops.
Balance	557	1,569	...
Manufactured and received...	40,702	38,097	37,505
Total ...	41,259	39,666	37,505
Issued and sold	38,097	37,505	37,207
Wastage	1,308	1,225	...
Total ...	39,405	38,730	37,207
Balance	1,854	936	298

The quantities shown as balance at the beginning of the year in distillery and depôts represent the balance of stock of excised and unexcised liquor in the hands of former renters taken over by the new renters. The wastage in distillery was 3·17 and in depôts 3·07 per cent. the true duty therefore was Rs. 1-12-2.

34. The following statement shows the percentages of the monthly sales :—

Months.	Sales in Gallons.		Percentage of Sales to 30° Under Proof.	Average Price to 30° Under Proof.	Remarks.
	30° Under Proof.	At Proof.			
				RS. A. P.	
July 1878	3,035	4	8·16	3 8 0	55 Gallons of liquor at proof were issued from the distillery for hospital.
August „	3,360	1	9·03	3 8 0	
September „	3,199	1	8·60	3 8 0	
October „	3,449	3	9·27	3 8 0	
November „	3,174	2	8 53	3 8 0	
December „	3,057	6	8·22	3 8 0	
January 1879	3,475	8	9·34	3 8 0	
February „	2,771	13	7·44	3 8 0	
March „	2,795	7	7·51	3 8 0	
April „	2,656	5	7·14	3 8 0	
May „	3,050	2	8·20	3 8 0	
June „	3,186	3	8·56	3 8 0	
Total ...	37,207	55	100·	3 8 0	

The liquor sold throughout the year was exclusively of the strength 30° under proof, and the price charged was Rs. 3-8-0 per gallon, being the maximum price allowed. The total sales amounted to 37,207 gallons against 37,542 in the previous year ; this decrease is attributed partly to the effects of the famine and partly to the stoppage of public works, which by depriving the working classes of employment affected the consumption of liquor.

35. The subjoined statement shows particulars of consumption of liquor in the several taluks:—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Average Price.
							GALS.		*	RS. A. P.
Nellore	179,769	638	75	15,967	55,886	·089	213	8	2,897	3 8 0
Gúdúr	147,141	910	51	4,271	14,949	·029	83	18	2,885	3 8 0
Rápúr	63,885	596	21	418	1,462	·006	20	28	3,042	3 8 0
Atmakúr ..	103,802	638	25	1,056	3,697	·010	42	25	4,152	3 8 0
Kávali	81,336	548	25	1,630	5,703	·020	65	22	3,253	3 8 0
Udayagiri ..	100,985	850	32	1,107	3,872	·010	34	26	3,156	3 8 0
Kandakúr ..	138,375	787	26	2,040	7,140	·015	78	30	5,322	3 8 0
Kanigiri ..	127,258	1,014	9	433	1,515	·003	48	113	14,139	3 8 0
Ongole	195,068	797	44	6,166	21,580	031	140	18	4,433	3 8 0
Venkatagiri ..	52,258	426	5	1,108	8,879	·021	221	85	10,451	3 8 0
Pólúr	50,861	355	19	2,085	7,298	·041	109	19	2,677	3 8 0
Darsi	73,139	616	12	637	2,230	·008	53	51	6,095	3 8 0
Podili	62,934	564	6	289	1,012	·004	48	94	10,489	3 8 0
Total ..	1,376,811	8,739	350	* 37,207	130,223	·027	106	25	3,933	3 8 0

* Exclusive of 55 gallons proof supplied to the Civil Dispensary.

The average rate of consumption, ·027, was the same as in the previous year, and there is not much difference in the rates for the several divisions. The very low consumption in many of the taluks and in the Zemindari tracts is suggestive of smuggling and other illicit practices, which the renters have apparently done little or nothing to check. No inspecting staff appears to have been maintained. There was some increase in the number of depôts—46 against 42 in the previous year, and in the number of shops—350 against 276 ; the number maintained appears to be altogether insufficient for the wants of the population.

36. The renters' financial statement shows the charges to have amounted to Rs. 1,59,713. This does not include the allowance for depreciation in the value of buildings and plant ; 12 per cent. will be allowed on Rs. 6,239, the amount stated to have been spent in purchasing a portion of the distillery building, and casks and measuring vessels. The salaries of gaugers and the police guard will be added to the cost of liquor. The charges as admitted and classified by the Board are as follows :—

	RS.
1. Depreciation	748
2. Cost of liquor	35,659
3. Cost of distribution	6,223
4. Establishment	3,088
5. Sundries	3,542
6. Duty	1,01,550
7. Commission to vendors	9,652
Total ...	1,60,462

Adding to the above the value of the balance of stock purchased from the former renters Rs. 5,095—557 gallons at Rs. 1-0-1 and 1,569 at Rs. 2-14-3—the total charges amount to Rs. 1,65,557. The incidence of the charges per gallon under the several heads is as follows:—

	RS. A. P.
1. Depreciation	0 0 4
2. Cost of liquor	0 15 0
3. Distribution	0 2 8
4. Establishment	0 1 5
5. Sundries	0 1 7
6. Duty	2 11 3
7. Vendor's commission	0 4 1
Total ...	4 4 4

The retailer's price being Rs. 3-8-0, the loss on each gallon amounts to Rs. 0-12-4 per gallon. The loss has been undoubtedly heavy, the guaranteed minimum revenue being much higher than the farm was worth; but for this the renter would have realized a profit of 3 annas a gallon. The renter's management also does not appear to have been satisfactory; the cost of liquor, though somewhat lower than in the previous year, still continues very high, and the expenditure on establishment has been reduced, thereby affording a stimulus to illicit practices.

37. The receipts on account of liquor sold amounted to Rs. 1,30,688 and the miscellaneous receipts to Rs. 2,495 as shown in the margin. Adding to these the value of liquor on hand at the end of the year, Rs. 4,635, the total assets were Rs. 1,37,818. The total charges being Rs. 1,65,557, the result of the year's transactions is a loss Rs. 27,739.

	RS.
Sale-proceeds of articles supplied to shopkeepers ..	1,287
Amount received from shopkeepers for stamps for engagements	62
Sundries	131
Interest on promissory notes deposited	1,015
Total ..	2,495

38. CUDDAPAH.—The excise system was introduced into this district for the first time during the year under report, the contract being given for three years to Messrs. Wilson and Co. who guaranteed a minimum revenue of Rs. 1,25,000. The stipulations as to the rate of duty and selling prices are shown in the margin.

—	Duty.	Selling Price.	
		Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° Under proof ..	2 0 0	3 12 0	3 4 0
60° „ ..	1 2 0	2 12 0	2 4 0

The issues of liquor during the year amounted to 63,261¼ gallons at 30° under proof on which the net duty collected was Rs. 1,23,359-14-10, or Rs. 1,640-1-2 less than the guaranteed amount; this sum was made good by the renters.

39. The liquor required for this district is obtained from the North Arcot renters and sent from Ranipet in sealed casks to the depôt for unexcised liquor maintained at Cuddapah whence it is issued for consumption after being excised. The following statement shows the stock account of excised and unexcised liquor for the year:—

—	Distillery.	Depôts.	Shops.
	GALS.	GALS.	GALS.
Balance	...	...	...
Manufactured and received.	64,819	63,261	59,627
Total ...	64,819	63,261	59,627
Issued and sold	63,261	59,627	58,818
Wastage	517	1,361	...
Total ...	63,778	60,988	58,818
Balance	1,041	2,273	809

The wastage in distilleries amounted to ·8 per cent. and that in depôts to 2·15 per cent. The true duty per gallon, not taking into account the sum paid by the renters to make up the guaranteed amount, was Rs. 1-15-1 and inclusive of it Rs. 2-0-4.

40. Liquor at 30° under proof was the only strength consumed throughout the district. The subjoined statement shows the monthly issues and sales and the average price. The sales are more equally distributed throughout the year than in other districts and do not appear to be so much affected by the toddy season:—

Months.	Issues Monthly.	Sales in Gallons.	Per centage of Sales.	Average Price.
				RS. A. P.
July 1878 ...	10,246	4,619	7·9	3 11 10
August „ ...	2,405	4,839	8·2	3 11 10
September „ ...	6,455	4,606	7·8	3 11 10
October „ ...	4,838	4,776	8·1	3 11 10
November „ ...	3,342	4,578	7.8	3 11 10
December „ ...	6,093	4,550	7.7	3 11 11
January 1879 ...	4,512	5,423	9·2	3 11 10
February „ ...	5,269	4,913	8·4	3 11 8
March „ ...	5,422	5,609	9·5	3 11 10
April „ ...	4,741	4,761	8·1	3 11 10
May „ ...	4,916	4,884	8·3	3 11 11
June „ ...	5,032	5,260	9·0	3 11 11
Total ...	63,271	58,818	100·	3 11 10

—	Sales.	Gallons.
* Fasli 1285	20° Under proof ..	2,021
	30° „ ..	69,043
	60° „ ..	42,253
	Total ..	113,317
Do. 1286	30° „ ..	42,994
	60° „ ..	23,842
	Total ..	66,836
Do. 1287	30° „ ..	39,740
	60° „ ..	16,631
	Total ..	56,371
Do. 1288	30° „ ..	58,818

The total sales as compared with the results of the previous year show an increase of 4·4 per cent. in actual gallons and 19·5 per cent. in gallons reduced to 30° under proof evidencing a speedy recovery from the effects of the famine, though they are considerably short of the figures for Fasli 1285.* It will be seen that the weaker liquor has been gradually displaced by the stronger. The drinking population of the district apparently have a predilection for liquor of the higher strengths, and the Collector reports that they would prefer to be supplied with stronger liquor than is now permitted.

41. The following statement shows the particulars of area, population, shops, consumption, &c., in each taluk:—

Taluks.	Population.	Area in Square Miles.	Number of Shops Opened.	Consumption. Quantity in Gallons.	Consumption. Sale-proceeds.	Consumption per Head.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
					RS.					RS. A. P.
Badvél	93,051	578	37	2,250	8,441	·024	60·8	15·6	2,515	3 12 0
Proddutur	102,744	498	61	5,595	20,983	·054	91·7	8·2	1,684	3 12 0
Sidhout	76,667	343	26	2,380	8,925	·031	91·5	13·2	2,949	3 12 0
Pullampet	145,180	670	57	9,283	34,725	·064	162·9	11·8	2,547	3 11 10
Cuddapah	163,013	1,207	66	14,049	52,674	·086	212·9	18·3	2,470	3 12 0
Jammalmadugu	109,965	609	66	4,874	17,869	·044	73·8	9·2	1,666	3 10 8
Pulivendla	110,405	696	51	3,247	12,214	·029	63·7	13·6	2,165	3 12 2
Ráyachóti	128,162	649	65	3,035	11,377	·024	46·7	10·0	1,976	3 12 0
Kadiri	140,948	1,451	78	4,361	16,352	·031	55·9	18·6	1,807	3 12 0
Váyalpád	145,591	708	39	4,561	17,104	·031	116·9	18·2	3,733	3 12 0
Madanapalle	135,468	631	43	5,183	19,432	·039	12·5	14·7	3,150	3 12 0
Total ..	1,351,194	8,040	589	58,818	220,096	·044	99·9	13·6	2,294	3 11 10

The consumption rose in all the taluks excepting Badvél, Sidhout, Jammalamadugu, Pulivendla, and Kadiri. In the last two taluks the weaker liquor alone was consumed in Fasli 1287, and the substitution of the stronger liquor by the renters has diminished consumption in actual gallons, although the consumption of liquor reduced to 30° under proof shows an increase. It is difficult to account for the decrease in consumption in the three taluks of Badvél, Sidhout, and Jammalamadugu where liquor of the higher strength alone was taken in Fasli 1287, except on the supposition that a proper stock of liquor was not always maintained to meet the requirements of the public. The number of shops throughout the district was reduced from 645 to 589, owing to a difficulty experienced by the renters, who are new to the district, in obtaining trustworthy men. The high consumption of Cuddapah Taluk is due to the inclusion of the Municipal town of Cuddapah, the sales within which amounted to 7,860 gallons. The liquor appears to have been generally sold throughout the district at the maximum price.

42. In the renter's financial statement the total charges are given as Rs. 2,36,725, from which must be deducted Rs. 2,416, being interest on a portion of the capital employed, as this must be met from the profit derived from the contract. A sum of Rs. 265 is entered as depreciation at 6 per cent. on the value of stores; the total amount of the capital sunk on buildings and plant should have been returned; as this has not been done the usual allowance of 12 per cent. for depreciation cannot be calculated, but the small sum above stated will be admitted. The cost of gauging establishment and the Police guard shown under the head "Other items" should be transferred to the head "Cost of liquor." The charges as classified by the Board are shown below :—

	Rs.	Incidence per Gallon. Rs. A. P.
1. Depreciation	265	0 0 1
2. Cost of liquor	72,177	1 2 4
3. Cost of distribution	18,952	0 4 11
4. Vendor's commission	8,290	0 2 3
5. Establishment	9,623	0 2 6
6. Duty	1,25,000	2 0 4
Total ...	2,34,307	3 12 5

The retail price being Rs. 3-12-0 per gallon, the result of the year's transactions is a loss of 5 pies on each gallon, not taking into account the value of liquor on hand. This result is entirely due to the excessive cost of the liquor and the high charges for distribution which absorbed the renter's profit. With more economical management the renters would have realized a fair return.

43. The total receipts for the year amounted to Rs. 2,23,601, to which must be added the interest on value of Government securities deposited, Rs. 1,250, and the value of the liquor on hand at the end of the year, viz., Rs. 9,462—2,273 gallons of excised liquor at Rs. 3-10-2 and 1,041 gallons of unexcised liquor at Rs. 1-2-5; the total assets of the year were therefore Rs. 2,34,313, or almost exactly equal to the amount of charges.

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44. Bellary.—The excise system was made applicable to the district at the commencement of the present lease; the Bellary cantonment, however, remaining a separate farm, and the rest of the district being leased out in two divisions of manageable dimensions for convenience of administration. The contract for the cantonment farm was secured by Mr. Abraham, the minimum guaranteed revenue being Rs. 1,20,684; and A. Sabapathi Mudaliar & Co. obtained the contract for both the divisions of the district, the tender being Rs. 95,000 for each division.

45. Bellary Cantonment.—Under the new contract the duty was enhanced to Rs. 2-13-0 and 1-10-0 per gallon of 30° and 60° under proof from Rs. 2-12-0 and Rs. 1-9-0, respectively, the maximum and minimum prices being fixed as shown below :—

—	Former Prices.		Present Prices.	
	Maximum.	Minimum.	Maximum.	Minimum.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
30° Under Proof	4 4 0	3 8 0	4 0 0	3 8 0
60° Do.	2 8 0	2 0 0	3 0 0	2 8 0

46. The net duty on issues amounted to Rs. 1,30,695, or Rs. 10,011 in excess of the minimum revenue guaranteed. As compared with the previous year the revenue shows an increase of Rs. 9,194; the increase would have been much greater but for the withdrawal of troops from the cantonment, which affected the sales of liquor during the latter part of the year.

47. The following statement shows the stock account in distillery, depôt, and shops :—

—	Distillery.	Depôt.	Shops.
Balance, 1st July 1878 ...	...	...	237
Manufactured and received ...	47,623	46,466	45,832
Total ...	47,623	46,466	46,069
Issued and sold	46,466	45,832	45,794
Wasted	416	425	...
	46,882	46,257	45,794
Balance ...	741	209	275

	Sales. 30° Under Proof. Gals.	Per-centages.
July	*4,652	10·2
August	4,431	9·9
September	3,873	8·4
October	4,168	9·1
November	3,914	8·5
December	4,159	9·1
January	4,101	8·9
February	3,290	7·2
March	3,312	7·2
April	3,075	6·7
May	3,504	7·6
June	3,315	7·2
Total ..	45,794	100·0

* 30° Under Proof	4,331
60° do.	562
Total ..	4,893

The wastage in distillery and depôt amounted to ·87 and ·91 per cent., respectively. The true duty per gallon of 30° under proof is therefore Rs. 2-13-5, no allowance being granted for wastage in this farm.

48. The total sales amounted to 45,794 gallons reduced to 30° under proof. A small quantity of 562 gallons of 60° under proof was issued in the month of July, but the supply of this weak liquor not being in favor with the people was discontinued. The per-centages of the monthly sales are shown in the margin. Throughout the year the liquor was sold at the maximum price prescribed.

49. The statistics of consumption, &c., contrasted with those of last year are shown below :—

	Fasli 1287.	Fasli 1288.
Population	51,766	51,766
Area, square miles	6	6
Number of shops	63	63
Consumption. { Gallons	45,222	45,794
Consumption. { Amount	1,92,192	1,83,578
Number of shops per square mile ...	10·3	10·3
Consumption per head	·874	·880
Sales per shop...	718	727
Population per shop	821	821
	Rs. A. P.	Rs. A. P.
Average price	4 4 0	4 0 0

50. The renter's financial statement shows the charges to have amounted to Rs. 1,76,197, from which, however, must be excluded the sum of Rs. 3,000, being the amount charged by the renter for his own superintendence, as it forms a legitimate portion of the profits. Rs. 1,272 will be taken as allowance on account of depreciation at 12 per cent. on the value of distillery buildings and plant, viz., Rs. 10,600. The total charges were, therefore, Rs. 1,77,469 classified as follows :—

	RS.
1. Depreciation ...	1,272
2. Cost of liquor ...	31,613
3. Cost of distribution ...	1,936
4. Establishment ...	1,512
5. Sundries... ...	98
6. Duty	1,30,695
7. Vendor's commission ...	7,343
Total ...	1,74,469

The incidence of the above charges per gallon of 30° under proof is as follows :—

	RS.	A.	P.
1. Depreciation ...	0	0	5
2. Cost of liquor ...	0	10	10
3. Cost of distribution ...	0	0	8
4. Establishment ...	0	0	6
5. Sundries	...		
6. Duty	2	13	5
7. Vendor's commission ...	0	2	7
Total ...	3	12	5

The retail price being Rs. 4 per gallon, the renter made a profit of 3 annas 7 pies per gallon. There was a material reduction in the cost of liquor as compared with last year. The vendor's commission is 2 annas 7 pies against 3 annas 4 pies in last year; all the liquor appears to be sold on the commission system, the vendor's receiving as remuneration 4 per cent. of the sale-proceeds.

51. The sale-proceeds on account of liquor amounted to Rs. 1,83,578. Adding to this the value of stock on hand at the end of the year 741 gallons, at annas 11-3, and 209 gallons, at Rs. 3-9-10 or Rs. 1,276, and the interest on Promissory Notes deposited Rs. 1,205, the total assets may be taken to be Rs. 1,86,059. The result of the year's transactions was, therefore, a profit of Rs. 11,590.

52. BELLARY DISTRICT.—Though the two divisions were leased out under separate contracts and form distinct farms, the Collector has included the transactions of both in one account, and it is not possible to separate them. This, however, is not of much consequence as the renters of both the divisions are the same, viz., Messrs. Sabapathy Moodelly and Co.

Division I.	*Division II.*
Gooty.	Bellary exclusive of the cantonment farm.
Tadpatri.	Adóni.
Anantapur.	Alúr.
Dharmavaram.	Ráyadrug.
Hindupur.	Hospet.
Penukonda.	Kúdligi.
Madakasira.	Harpanahalli.
	Hadgalli.

The stipulations as to the duty leviable, the strength of liquor to be sold, and the maximum and minimum prices as regards both the divisions are shown below :—

Strength.	Duty.			Prices.					
				Maximum.			Minimum.		
	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
30° under proof	2	0	0	3	12	0	3	4	0
60° do.	1	2	0	2	12	0	2	4	0

53. The net duty levied on issues, 51,796 gallons, of 30° under proof, amounted to Rs. 1,00,381, and the renters had to make good a deficiency of Rs. 89,619. This was chiefly owing to the effects of the famine, and the renters being unable to meet their engagements took advantage of the permission to relinquish their farms from the close of the year. The loss by resale was considerable, the farms realizing only Rs. 50,000 and Rs. 45,000.

54. The following statement shows the stock account in distillery, depôts, and shops :—

—	Distillery.	Depôts.	Shops.
	GALLONS.	GALLONS.	GALLONS
Manufactured and received ..	56,732	51,796	47,537
Issued and sold	51,796	47,537	47,537
Sent to Kurnool District ...	4,247	...	...
Wasted	649	976	...
Total ...	56,692	48,513	47,537
Balance ...	40	3,283	...

The wastage in the distillery amounted to 1·14 per cent. and that in depôts to 1·88 per cent. The true duty was therefore Rs. 1-15-9 per gallon, not taking into account payments made to make up the guarantee.

55. The following statement shows the monthly issues and sales. The stronger liquor alone was consumed and it was sold throughout the year at the maximum price :—

Months.	Issues monthly.	Sales in Gallons.	Percentage of Sales.	Average Price.		
				RS.	A.	P.
July 1878	8,220	5,016	10·6	3	12	0
August „	4,243	4,675	9·8	3	12	0
September „	4,792	4,224	8·9	3	12	0
October „	4,190	3,959	8·3	3	12	0
November „	3,352	3,501	7·4	3	12	0
December „	4,671	4,076	8·6	3	12	0
January 1879	3,626	3,971	8·3	3	12	0
February „	2,704	3,068	6 5	3	12	0
March „	3,899	3,428	7·2	3	12	0
April „	2,718	3,319	7·0	3	12	0
May „	4,151	3,964	8·3	3	12	0
June „	5,230	4,336	9·1	3	12	0
Total ...	51,796	47,537	100·0	3	12	0

56. The following statement shows the particulars of consumption, &c., in the several taluks :—

	Taluks.	Population.	Area.	Number of Shops.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sale per Shop in Gallon.	Square Miles per Shop.	Population per Shop.	Average Price.		
						RS.					RS.	A.	P.
I. Division.	Gooty	144,568	947	90	6,020	22,574	·042	66·9	10·5	1,606	3	12	0
	Tadpatri	117,211	578	86	6,520	24,451	·055	75·8	6·7	1,363	3	12	0
	Anantapur	102,761	739	70	3,812	14,294	·037	54·5	10·6	1,468	3	12	0
	Dharmavaram	120,608	1,098	78	2,944	11,041	·024	37·6	14·1	1,546	3	12	0
	Hindupur	87,895	424	35	1,968	7,378	·022	56·2	12·1	2,511	3	12	0
	Penukonda	88,754	908	46	3,489	13,083	·039	75·8	19·7	1,939	3	12	0
	Madakasira	79,458	451	15	1,061	3,980	·019	70·7	30·1	5,297	3	12	0
II. Division.	Bellary	130,478	919	39	2,871	10,767	·022	73·6	23·6	3,346	3	12	0
	Adóni	181,583	810	46	6,622	24,831	·036	143·9	17·6	3,947	3	12	0
	Alúr	98,230	646	33	2,635	9,881	·027	79·8	19·6	2,977	3	12	0
	Ráyadrug	87,779	861	55	3,024	11,339	·034	55·0	15·7	1,596	3	12	0
	Hospet	93,424	468	40	5,209	19,538	·056	130·0	11·7	2,836	3	12	0
	Kúdligi	93,228	839	5	375	1,407	·004	75·0	168·0	18,646	3	12	0
	Harpanahalli	85,729	673	6	436	1,633	·005	74·3	112·2	14,288	3	12	0
	Hadagalli	89,538	670	12	551	2,068	·006	46·0	55·8	7,461	3	12	0
	Total ..	1,601,244	11,032	656	47,537	1,78,265	·030	72·5	16·8	2,441	3	12	0

The consumption for the two divisions appears to have been at the rate of ·30 of a gallon per head of the population, but that in individual taluks shows considerable variations. The highest consumption was in Hospet and Tadpatri and the lowest in the three taluks in the western taluks of Kúdligi, Huvinahadgalli, and Harpanahalli. Looking to the small number of shops maintained in these last-mentioned taluks it is clear that the renters neglected this portion of their farm; the facilities for obtaining licit liquor being wholly inadequate with reference to area and population, illicit practices were doubtless prevalent and contributed in some measure to the failure which resulted. The consumption in Bellary Taluk is considerably below that returned for last year, which is probably due to the reduction in the number of shops from 97 to 39. The sales in Municipalities, excepting Bellary, are noted in the margin.

	Gallons.
Gooty	1,403
Adóni	4,837
Anantapur	1,335

57. The renter's financial statement shows the charges to have amounted to Rs. 2,66,778, to which must be added Rs. 1,302 as allowance for depreciation at 12 per cent. on the value of distillery building and plant, making a total of Rs. 2,68,080. The pay of the gauging establishment, the distillery rent, and charge for liquor procured from Kurnool should be shown under the cost of liquor. Thus classified the charges under the several heads and the incidence per gallon of 30° under proof will be as follows:—

		Per Gallon.
	RS.	RS. A. P.
(1.) Depreciation	1,302	0 0 5
(2.) Cost of liquor...	44,551	0 12 11
(3.) Distribution	15,315	0 4 10
(4.) Establishment	4,945	0 1 7
(5.) Sundries	83	...
(6.) Duty	1,90,000	3 11 10
(7.) Vendor's commission	11,884	0 4 0
Total ...	2,68,080	5 3 7

The retail price being Rs. 3-12-0, the renters lost Rs. 1-7-7 per gallon. The loss is entirely due to the duty on issues falling below the guaranteed minimum which the renters had to make good; but for this they would have made a profit of Annas 4-3 per gallon.

58. The receipts on account of liquor sold amounted to Rs. 1,78,264 and miscellaneous receipts to Rs. 5,111, making a total of Rs. 1,83,375. Adding to this the value of stock in hand, 40 gallons in distillery at Annas 13-4 and 3,283 gallons in depôts at Rs. 3-3-9, or Rs. 10,652, the total assets may be taken at Rs. 1,94,027. The renter's loss was therefore Rs. 74,053.

	RS.
Liquor sold to Kurnool District	3,185
Charcoal sold	26
Interest on Government promissory notes deposited.	1,900
Total ..	5,111

59. Kurnool.—Prior to the commencement of the current triennial lease this district was rented out taluk by taluk; the excise system has now been introduced in all the taluks west of the Nallamalais comprising the Principal Division: the taluks of Cumbum and Márkápur constituting the Head Assistant Collector's division, which was not considered ripe for the change, the liquor consumed being almost exclusively of the weaker description, were rented out separately on the Amani system. The contract in the former tract was given to Messrs. A. Sabapathy Moodelliar and Co., the terms as to duty, price, &c., being as shown below:—

Strengths	Rate of Duty.	Guaranteed Revenue.	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS.	RS A. P.	RS. A. P.
30° under proof ...	1 12 0	81,000	3 8 0	3 0 0
60° do. ...	1 0 0		2 8 0	2 0 0
	...	...	...	...

60. The issues from the distillery which was established at Peapally, in the Pattikonda Taluk, consisted of 30° under proof alone and amounted to gallons 20,242, which paid a net duty of

Rs. 34,538, or Rs. 46,462 less than the amount guaranteed; the deficit has been made good by the renters.

61. The following exhibits the stock account of liquor in the distillery and depots:—

—	Distillery.	Depôts.	Shops.
Balance	...	...	...
Manufactured and received.	21,419	20,242	17,698
Total ...	21,419	20,242	17,698
Issued and sold	20,242	17,698	17,698
Sent to Bellary	319	...	...
Wastage	673	456	...
Total ...	21,234	18,154	17,698
Balance ...	185	2,088	...

The wastage in the distillery was at the rate of 3·14 per cent. and that in depôts 2·25; the true duty therefore was Rs. 1-11-11.

62. The subjoined statement shows the issues and sales for each month and the average prices:—

Months.	Issues Monthly.	Sales in Gallons.	Per cent. of Sales.	Average Price.
				RS. A. P.
July	3,024	1,549	8 7	3 8 0
August	2,522	1,861	10·5	3 8 0
September	1,368	1,881	10·6	3 8 0
October	1,790	1,538	8·7	3 8 0
November	1,313	1,409	8·0	3 8 0
December...	1,914	1,449	8·2	3 8 0
January	1,076	1,776	10·0	3 8 0
February	1,252	1,238	7·0	3 8 0
March	1,509	1,355	7·7	3 8 0
April	1,247	1,118	6·3	3 8 0
May	1,554	1,216	6·9	3 8 0
June	1,673	1,308	7·4	3 8 0
Total ...	20,242	17,698	100·0	3 8 0

The sales were highest in August and September. The reason for the falling off in the next three months, when sales generally improve, is not explained: the decrease from February is due to the toddy season. The retail prices were maintained at the maximum allowed throughout the year.

63. The particulars of consumption are given below:—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
				GALS.	RS.					RS. A. P.
Pattikonda	173,434	1,071	56	2,992	10,471	·017	58·4	19·1	3,097	3 8 0
Rámallakót	146,195	810	64	5,523	19,330	·038	86·3	12·6	2,284	3 8 0
Nandikótkur	101,866	1,322	65	1,671	5,848	·016	25·7	20·3	1,567	3 8 0
Nandyál	107,320	862	49	2,384	8,344	·022	48·6	17·6	2,190	3 8 0
Koilkuntla	98,844	582	44	3,161	11,065	·032	71·8	13·2	2,246	3 8 0
Sirvel	71,066	527	49	1,967	6,885	·028	40·1	10·7	1,450	3 8 0
Total ..	698,725	5,174	327	17,698	61,943	·025	54·1	15·8	2,137	3 8 0

The consumption per head in the portion of the district under excise was ·025 against ·037 in the previous year; the decrease occurs in every taluk except Rámallakót, where there was an increase of ·021 gallons; this large falling off in the sales was due chiefly to mismanagement, the renter having restricted his issues to the stronger liquor and charged the maximum price throughout, whereas the people of the district had been accustomed to the weak liquor distilled from toddy sold at rates not exceeding Rs. 1-4-0 a gallon: in the rented taluks of Cumbum and Márkápur the average price for 30° under proof was only Rs. 2-5-5 a gallon. This must have led to extensive illicit manufacture and smuggling from the Native State of Banganapalle was a subject of constant complaint. The retail vendors' receipts, moreover, in consequence of the low sales were so small, amounting on an average to little more than a rupee a month, that they must have resorted to illicit practices to earn a livelihood. The number of shops in Nandyál was largely reduced; elsewhere there was an increase. The consumption within the Municipality of Kurnool was 4,144 gallons.

64. The renter's financial statement gives the charges as Rs. 1,16,219, which includes a sum of Rs. 4,831, being the entire value of the distillery building and plant; this amount will be excluded and allowance will be made for depreciation at 12 per cent. thereon. The charges will therefore amount to Rs. 1,11,968; the details under the several heads and the incidence per gallon are shown below:—

		Rate per Gallon.
	RS.	RS. A. P.
1. Depreciation	580	0 0 5
2. Cost of liquor	13,917	0 11 0
3. Cost of distribution	7,807	0 6 4
4. Establishment	4,189	0 3 5
5. Sundries	1,060	0 0 10
6. Duty	81,000	4 1 6
7. Vendor's commission	3,415	0 3 1
Total ...	1,11,968	5 10 7

The retail price being Rs. 3-8-0, the renter lost no less than Rs. 2-2-7 per gallon. The loss was entirely owing to the high amount guaranteed; but for this the renter would have made a profit of 2 annas 11 pies a gallon.

65. The receipts from sale of liquor are returned as Rs 61,943, to which must be added the interest on Promissory Notes deposited, viz., Rs. 310, and the value of balance of stock on hand and liquor supplied to other districts, viz., 504 gallons at Rs. 0-11-5 and 2,088 gallons at Rs 3-2-0, or Rs. 6,885, making a total of Rs 69,138. The year's transactic therefore resulted in a loss to the renter of Rs. 42,330.

66. CHINGLEPUT.—The arrack farm of this district including the outside limits of the town of Madras, which have hitherto been managed under the Madras Abkári system, was rented to Mr. T. Pritchard for three years, Faslis 1288 to 1290. The strengths of liquor to be issued under the new lease, the duties payable thereon, and the prices prescribed are shown in the margin. The minimum amount of revenue guaranteed was Rs. 1,35,000 for arrack. The toddy, which under the last lease was combined with the arrack farm, was separately rented. The number of gallons at 30° under proof supplied to depôts was 53,497, the duty on which, after deducting the wastage, amounted to Rs. 1,17,360, or Rs 17,640 less than the guaranteed amount. There were no issues of liquor at 60° under proof during the year. The full amount of the guarantee was made good by payments and by adjustments against the remissions granted on account of the previous fasli, the rental for which had been originally paid.

Strength.	Duty.	Price.	
		Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30°	2 4 0	4 0 0	3 8 0
60°	1 4 0	2 12 0	2 4 0

67. The stock account of distillery depôts and shops is given below:—

—	Distillery.	Depôts.	Shops.
	GALLONS.	GALLONS.	GALLONS.
Balance on 1st July 1878 ..	2,084	4,210	274
Manufactured and received ...	53,822	53,497	44,566
Total ...	55,906	57,707	44,840
Issued and sold	53,497	44,566	44,566
Wastage	2,400	2,302	...
Total ...	55,897	46,868	44,566
Balance ...	9	10,839	274

The wastage in the distillery was 4·29 per cent. and that in depôts 3·99 per cent. The true duty therefore was Rs. 2-4-7 per gallon. Taking into account the deficit made good, the duty will amount to Rs. 2-10-1 per gallon.

68. The monthly sales and average prices are shown in the subjoined statement:—

Months.	Issues Monthly Gallons.	Sales in Gallons at 30° Under Proof.	Per Centage of Sales.	Average Price.
				RS. A. P.
July 1878 ...	4,597	3,811	8·55	3 15 6
August „ ...	4,483	3,502	7·86	3 15 5
September „ ...	5,912	3,227	7·24	3 15 6
October „ ...	4,476	4,697	10·54	3 15 6
November „ ...	4,157	3,382	7·59	3 15 6
December „ ...	6,753	3,873	8·70	3 15 7
January 1879 ...	4,249	5,490	12·31	3 15 6
February „ ...	2,070	3,574	8·02	3 15 5
March „ ...	9,061	2,790	6·26	3 15 5
April „ ...	942	2,983	6·70	3 15 6
May „ ...	936	3,121	7·00	3 15 6
June „ ...	5,861	4,116	9·23	3 15 6
Total ...	53,497	44,566	100·	3 15 6

The sales in October and January were highest owing to the Dasara and Pongal festivals, while those in March and April were lowest on account of the toddy season. The average prices approximate to the maximum allowed, which was charged in all taluks except Saidápet.

69. The following statement shows particulars as to consumption, distribution of shops with reference to area, &c.:—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption.		Consumption per Head Gallon.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
				Quantity in Gallons.	Sale-proceeds.					
					RS.					RS. A. P.
Saidápet	186,404	308	81	20,675	81,244	·112	255·24	3·7	2,301	3 14 11
Chingleput	132,328	436	55	3,771	15,085	·028	70·38	7·9	2,406	4 0 0
Madurántakam	197,308	696	48	2,310	9,241	·012	48·12	14·3	4,110	4 0 0
Conjeeveram	168,036	514	100	8,207	32,827	·048	82·07	5·1	1,680	4 0 0
Tiruvallúr	149,898	508	65	5,646	22,584	·038	86·86	7·8	2,306	4 0 0
Ponnéri	104,210	312	52	3,957	15,829	·038	76·09	6·0	2,004	4 0 0
Total ..	938,184	2,774	401	44,566	1,76,810	·047	111·13	6·9	2,339	3 15 6

The average rate of consumption per head is ·047 gallon against ·032 gallon in Fasli 1287; all the taluks, excepting Chingleput and Ponnéri, which are the poorest in the district, exhibit an increase over the previous fasli, which is due to the improvement in the condition of the people. The very considerable rise in Saidápet from ·069 to 112 gallons per head is, however, mainly attributable to the inclusion of the "outside limits" of the town of Madras in the farm.

70. The consumption within the Municipal limits of the town of Conjeeveram was as follows:—

Name of Municipal Towns.	Gallons sold.	Population.	Rate of Consumption per Head.
Conjeeveram... ...	4,081	37,327	·109

71. In the renter's financial statement the charges are entered as Rs. 1,99,848, to which must be added a sum of Rs. 1,078, being allowance for depreciation at 12 per cent. on the amount sunk in distillery building and plant, viz., Rs. 8,986. The total charges are therefore Rs. 2,00,926, classified as follows:—

	RS.
1. Depreciation	1,078
2. Cost of liquor	40,998
3. Cost of distribution	2,496
4. Establishment	9,224
5. Sundries	2,624
6. Duty	1,35,000
7. Vendor's commission	9,506
Total ...	2,00,926

Besides the above, the value of liquor on hand at the commencement of the year—4,210 gallons in depôts at Rs. 3-7-1 and 2,084 gallons in the distillery at Annas 14-7—amounted to Rs. 16,394; the entire charges were therefore Rs. 2,17,320. The incidence of the charges per gallon under the several heads is as follows:—

	Per Gallon. RS.	A.	P.
1. Depreciation	0	0	4
2. Cost of liquor	0	13	6
3. Cost of distribution	0	0	9
4. Establishment	0	2	11
5. Sundries	0	0	9
6. Duty	2	9	8
7. Vendor's commission	0	3	5
Total ...	3	15	4

The average retail price being Rs. 3-15-6 the renter made a profit of 2 pies per gallon.

72. The sale-proceeds of liquor and miscellaneous receipts amounted to Rs. 1,77,597; adding to these the interest on promissory notes deposited, Rs. 1,350, and the value of liquor on hand at the end of the year, Rs. 36,759—10,839 gallons in depôts at Rs. 3-6-3 (excluding the deficit made good, and 9 gallons in distillery at Annas 13-10—the total assets were Rs. 2,15,706. The result of the year's transactions was therefore a loss of Rs. 1,614.

73. NORTH ARCOT.—Messrs. Corbett and Morrison, the renters under the last lease, obtained a renewal of the contract for a further period of three years, the stipulations as to the strength of liquor the maximum and minimum prices, the rate of duty and the revenue guaranteed being as follows:—

Strength of Liquor.	Duty.	Guaranteed Minimum Revenue.	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS.	RS. A. P.	RS. A. P.
For the District—				
30° Under Proof	2 6 0	1,36,162	4 0 0	3 8 0
60° Do.	1 6 0		2 12 0	2 4 0
	Surcharge.	Guarantee for Surcharge.		
For Vellore Municipality—				
30° Under Proof	0 8 0	6,500	4 8 0	4 0 0
60° Do.	0 4 0		3 0 0	2 8 0
		1,42,662		

74. The total issues for the year were 95,179 gallons at 30° under proof on which the net duty levied amounted to Rs. 2,08,876, or Rs. 72,714 in excess of the minimum revenue guaranteed. Rs. 5,478 were levied as surcharge of duty on 10,957 gallons sold within the limits of the Vellore Municipality, and the difference between it and the guaranteed amount, viz., Rs. 1,022, was made good by the renters.

75. The following statement shows the stock account in distilleries, depôts, and shops. The differences between the balances shown in the last year's returns and those now brought forward are due to the strength of liquor having been reduced from 20° to 30° under proof:—

—	Distilleries.	Depôts.	Shops.
	GALLS.	GALLS.	GALLS.
Balance	25,761	228	...
Manufactured and received ...	94,645	95,149	91,585
	...	...	*30
	...	*30	...
Total ...	120,406	95,407	91,585
Issued and sold	95,179	91,585	91,585
	...	...	*30
Sent to Cuddapah	11,133	...	...
	...	*30	...
Wasted	6,840	1,283	...
Total ...	113,152	92,898	91,585
Balance ...	7,254	2,509	...

The wastage in distilleries was 5·68 per cent., an exceedingly high rate, and that in depôts 1·34 per cent., the true duty exclusive of surcharge was therefore Rs. 2-3-7.

* Liquor at proof.

76. The consumption consisted entirely of liquor at 30° under proof. The subjoined statement shows the monthly issues and sales and the average price :—

	Issued from Distilleries.	Sold.	Percentage of Sales.
	GALLS.	GALLS.	
July 1878	9,266	6,533	7·1
August "	6,707	6,604	7·2
September "	8,121	6,937	7·6
October "	8,034	8,380	9·1
November "	6,896	6,957	7·6
December "	8,321	7,908	8·6
January 1879	10,349	10,710	11·7
February "	7,777	7,632	8·3
March "	7,113	7,108	7·8
April "	6,283	5,992	6·7
May "	7,817	8,098	8·8
June "	8,495	8,726	9·5
Total ...	95,179	91,585	100·0

The quantities issued to shops have been entered as the quantities sold to the public, and the actual sales have apparently not been ascertained. The renters sold the liquor throughout the year at the maximum price fixed, viz., Rs. 4 a gallon. The total sales compared with the sales of the previous year show an increase of 46·2 per cent. in actual gallons, and of 28 per cent. in gallons reduced to 30° under proof, evidencing a rapid recovery from the effects of the famine. The consumption has not, however, reached its normal limit, the sales at 20° under proof having been 116,630 and 113,383 gallons in Fasli 1284 and Fasli 1285 respectively.

77. The following statement shows particulars as regards consumption, distribution of shops in the several taluks, &c. :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sale per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
					RS.					RS. A. P.
Chittoor	213,045	837	41	7,738	30,950	·037	188·7	20·4	5,196	4 0 0
Palmanér	60,211	484	22	2,254	9,016	·037	102·5	22·0	2,737	4 0 0
Chandragiri	99,628	531	45	6,807	27,229	·068	151·3	11·8	2,214	4 0 0
Gudiyátam	162,980	318	64	8,779	35,116	·054	137·2	5·0	2,547	4 0 0
Vellore	179,156	471	94	19,797	84,668	·115	210·6	5·0	1,906	4 4 5
Pólúr	109,150	456	34	2,507	10,026	·023	73·7	13·4	3,210	4 0 0
Arcot	157,391	414	39	2,445	9,779	·016	62·7	10·6	4,036	4 0 0
Wandiwash	153,507	431	14	901	3,604	·006	64·4	30·8	10,965	4 0 0
Wálajápet	216,204	419	96	17,456	69,824	·087	180·8	4·4	2,252	4 0 0
Arni	77,679	169	51	6,556	26,220	·084	128·5	3·3	1,523	4 0 0
Kangundi	52,047	330	12	1,746	6,986	·033	145·5	27·5	4,337	4 0 0
Kálahasti and Maderpauk	135,104	736	28	2,451	9,806	·018	87·5	26·3	4,825	4 0 0
Náráyanavaram and Tirutani	289,894	922	88	9,691	38,764	·033	110·1	10·5	3,294	4 0 0
Punganúr	109,282	634	21	2,458	9,830	·022	117·0	30·0	5,204	4 0 0
Total ..	2,015,278	7,152	649	91,585	371,818	·045	141·1	11·0	3,105	4 0 11

Taluks.	Fasli 1287, 20° Under Proof.	Fasli 1288, 30° Under Proof.
1. Chittoor	·028	·037
2. Palmanér	·039	·037
3. Chandragiri	·045	·068
4. Gudiyátam	·034	·054
5. Vellore	·087	·115
6. Pólúr	·015	·023
7. Arcot	·008	·016
8. Wandivash	·005	·006
9. Wálajápet	·046	·087
10. Arni	·041	·084
11. Kangundi	·031	·033
12. Kálashasti and Maderpauk.	·018	·018
13. Náráyanavaram and Tirutani	·021	·033
14. Punganúr	·015	·022
	·031	·045

The average consumption throughout the year was ·045 at 30° under proof against ·031 and ·056 at 20° under proof in Faslis 1286 and 1285 respectively. The low consumption in the taluks of Wandiwash, Arcot, Pólúr, and the Zemindari Tracts noticed in last year's report still continues. There is a falling off in Palmanér notwithstanding the reduction in price consequent on the reduction in the strength of liquor sold. No attempt appears to have been made by the renters to adjust the price with reference to consumption, liquor having been sold throughout the district invariably at the maximum rate. The number of shops opened was 649 against 586 in Fasli 1287; this is an improvement, but the number appears inadequate in Wandiwash and some of the Zemindari Tracts in which consumption is lowest.

78. The charges entered by the renters in their financial statement as admitted by the Board and classified are as follows :—

	RS.
1. Depreciation	9,600
2. Cost of liquor	1,08,000
3. Cost of distribution	29,081
4. Duty	2,15,376
5. Establishment and Sundries	6,117
6. Vendor's remuneration	13,289
Total ...	3,81,463

Adding to the above the value of liquor remaining in the distillery and depôts at the commencement of the year, Rs. 19,301—25,761 gallons, at Annas 11-6, and 228 gallons at Rs. 3-7-1—the total charges amount to Rs. 4,00,764. The incidence of the charges under the several heads per gallon is as follows :—

	RS.	A.	P.
1. Depreciation	0	1	7
2. Cost of liquor	1	1	10
3. Distribution	0	4	11
4. Duty	2	4	8
5. Establishment	0	1	1
6. Vendor's commission	0	2	4
7. Renter's profit	0	0	6
Retail price ...	4	0	11

These results do not indicate careful management. The cost of liquor is enormously high as compared with the results of the preceding year and the rates usually prevailing, notwithstanding the decrease in the price of materials; the cost of distribution is also very high; there is nothing to show the cause of these high charges. The expenditure on establishment, on the other hand, is much lower than in the previous year and appears to be altogether inadequate; this no doubt accounts in some measure for the low consumption in parts of the district, especially in the Zemindari Tracts where illicit practices are probably allowed to prevail unchecked.

79. The total receipts on account of liquor sold at 30° under proof amounted to Rs. 3,71,818, to which must be added the value of liquor on hand at the end of the year, viz., Rs. 18,538—gallons 7,254 in distillery at Rs. 1-3-5 and 2,509 in depôts at Rs. 3-14-1—and this raises the assets to Rs. 3,90,356. Deducting from the charges the value of 11,163 gallons issued to Cuddapah or sold for sundry purposes at Rs. 1-3-5, the net charges on account of the North Arcot contract amount to Rs. 3,87,217, and the renter's profit is therefore Rs. 3,139, or Rs. 5,060 inclusive of interest at 4 per cent. on Promissory Notes deposited.

80. SOUTH ARCOT.—Messrs. Parry and Co. secured a renewal of their contract for a further period of three years, the annual revenue guaranteed by them being Rs. 1,36,000 or Rs. 12,000 in excess of the amount guaranteed during the last lease. The rates of duty and prices were as marginally noted; the special rate of duty hitherto allowed for liquor sold in shops on the borders of French territory, viz., 1 rupee at 44° under proof, was discontinued it having been found that this measure, introduced as an experiment to enable the frontier shops to compete with the cheaper liquor sold in French territory, was inefficacious.

Strength.	Duty.	Prices.	
		Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° under proof ..	2 0 0	3 12 0	3 4 0
60° do. ..	1 2 0	2 12 0	2 4 0

81. Two distilleries, one at Nellikuppam and the other at Tiruvanallúr, were at work during the year. The issues were gallons 64,071 at 30° under proof and 3,184 at 60° under proof, on which the net duty was Rs. 1,28,432, or Rs. 7,568 less than the guaranteed amount which has been paid in full.

82. The following shows the stock account in distilleries and depôts reduced to 30° under proof:—

——	Distillery.	Depôt.	Shop.
Balance on 1st July 1878	8,369	1,193	508
Manufactured and issued	60,192	65,891	52,686
Total ...	68,561	67,084	53,194
Issued and sold	65,891	52,686	52,686
Do. to other districts	1,758	...	...
Wastage	693	1,251	...
Total ...	68,342	53,937	52,686
Balance ...	219	13,147	508

The wastage in the distilleries was at the rate of 1·01 per cent. and that in depôts 1·86. The actual number of gallons issued reduced to 30° under proof being 65,891, the quantity available for sale was 64,666 gallons; the true duty was therefore Rs. 1-15-9 per gallon at 30° under proof; if the deficit which the renters had to make good be taken into account, however, the duty will amount to Rs. 2-1-8 a gallon.

83. The following statement gives particulars as to consumption, distribution of shops as to area, &c. :—

Months.	Sales.			Percentage of each Strength.		Per Cent. of Sales Monthly.	Average Renter's Price.		
	30° Under Proof.	60° Under Proof.	Total.	30° Under Proof.	60° Under Proof.		30° Under Proof.	60° Under Proof.	Both.
							RS. A. P.	RS. A. P.	RS. A. P.
July 1878 ..	3,481	298	3,779	92·1	7·9	7·0	3 9 7	2 1 11	3 7 9
August ,, ..	3,096	256	3,352	92·3	7·7	6·2	3 9 7	2 1 11	3 7 9
September ,, ..	3,078	233	3,311	93·0	7·0	6·1	3 9 4	2 1 10	3 7 8
October ,, ..	4,908	347	5,255	93·4	6·6	9·7	3 8 8	2 1 7	3 7 2
November ,, ..	3,298	260	3,558	92·7	7·3	6·6	3 8 9	2 1 9	3 7 0
December ,, ..	3,970	251	4,221	94·0	6·0	7·8	3 8 5	2 1 9	3 7 1
January 1879 ..	5,147	271	5,418	95·0	5·0	10·0	3 8 8	2 1 7	3 7 7
February ,, ..	4,855	254	5,109	95·0	5·0	9·5	3 8 9	2 1 6	3 7 7
March ,, ..	5,423	269	5,692	95·3	4·7	10·6	3 8 9	2 1 6	3 7 5
April ,, ..	4,575	217	4,792	95·5	4·5	8·9	3 8 10	2 1 4	3 7 9
May ,, ..	4,447	192	4,639	95·9	4·1	8·6	3 8 11	2 1 6	3 7 11
June ,, ..	4,679	178	4,857	98·1	1·9	9·0	3 8 10	2 1 6	3 8 0
Total ..	50,957	3,026	53,983	94·4	5·6	100	3 8 11	2 1 8	3 7 7

The sales show an increase of nearly 20 per cent. as compared with the previous year owing to the improvement in the state of the district; the above figures do not, however, represent the sales to the public or the price paid by them; they have evidently been compiled from the depôt accounts and show sales to the shopkeepers and the price paid by them to the renters. The consumption steadily improved, the falling off during the toddy season being less marked than is usually the case. The weaker liquor was consumed only in the Cuddalore and Villupuram Taluks, chiefly in the former; it was gradually being superseded by the stronger liquor, and was probably issued only for consumption in the frontier villages bordering on French territory, where the sale of a weaker spirit at a lower rate of duty had been customary. The price return which should have shown the shop prices is useless as it is evidently based on the renters' returns of the sums paid to them; the price of the stronger liquor appears to have approximated to the maximum allowed and that of the weaker liquor to the minimum.

84. The subjoined statement shows the sales per month, the proportion of each strength sold, and the average price :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption.		Consumption per Head.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
				Quantity in Gallons.	Amount.					RS. A. P.
Cuddalore	284,849	418	137	13,003	43,510	·046	94·9	3·0	2,079	3 5 6
Villupuram	236,108	618	81	5,263	17,327	·022	64·9	7·6	2,915	3 4 8
Tindivanam	239,754	734	123	5,444	19,313	·023	44·2	5·9	1,949	3 8 9
Trinomalai..	164,657	887	148	6,139	21,164	·037	41·5	6·0	1,112	3 7 2
Tirukoilúr	216,246	487	107	5,384	19,320	·025	50·4	4·5	2,021	3 9 5
Vriddháchalam	178,504	540	65	4,019	14,441	·022	61·8	8·3	2,746	3 9 6
Kallakurchi	196,566	805	111	5,364	19,058	·027	48·3	7·2	1,771	3 8 10
Chidambaram	239,133	381	123	9,367	33,440	·039	76·1	3·1	1,944	3 9 1
Total ..	1,755,817	4,870	895	*53,983	187,573	·031	60·3	5·4	1,962	3 7 7

* 30° under proof 50,957
60° do. 3,026

85. The number of shops open during the year was 895 against 870 in the previous fasli. The average rate of consumption per head was ·031 against ·026. An improvement is apparent in every taluk except Chidambaram, but especially in Trinomalai, where apparently there is less competition from toddy, the number of toddy-producing trees being smallest in that taluk, whereas it is largest in Chidambaram, where there was a decrease in the sales. The consumption in the municipal limits of Cuddalore and Chidambaram is shown in the margin.

Municipalities.	Population.	Quantity consumed.			Rate per Head.
		30° Under Proof.	60° Under Proof.	Total.	
Cuddalore	40,290	3,000	2,063	5,063	·12
Chidambaram ..	15,519	2,514	..	2,514	·16

86. The charges admitted by the Board are classified as shown below. For depreciation the usual allowance of 12 per cent. on the sum sunk in distillery buildings and plant will be entered and the separate charge made on account of repairs to distilleries, Rs. 1,192, struck out:—

	RS.
1. Depreciation	8,400
2. Cost of liquor*	39,643
3. Distribution	20,987
4. Establishment	12,281
5. Duty	1,36,000
Total ...	2,17,311

Adding to the above charges the value of liquor on hand at the beginning of the fasli, viz., Rs. 15,327, being value of 8,369 gallons in distilleries at Rs. 1-4-1 and 1,193 gallons in depôts at Rs. 4-0-8, the total charges amount to Rs. 2,32,638. Information regarding the prices charged by the shopkeepers has not been submitted, as already noticed; the average price

* Includes the cost of 1,758 gallons at 30° under proof not appertaining to the monopoly.

charged by the renters to the shopkeepers was Rs. 3-7-7, of which the following are the component items:—

	RS.	A.	P.
1. Depreciation	0	2	4
2. Cost of liquor	0	11	7
3. Distribution	0	5	1
4. Establishment...	0	3	0
5. Duty	2	0	10
6. Renter's profit	0	0	9
	3	7	7

There is a considerable decrease in the cost of liquor and charges on account of distribution and establishment as compared with the previous year; in the case of the former item this is due to a fall in the price of materials, and in the latter to the improvement in the sales which has reduced the incidence of the charges per gallon although the total expenditure under the heads of Distribution and Establishment for the two years are nearly the same. The sale-proceeds of liquor sold to the public by shopkeepers not having been reported the Board have no means of calculating the remuneration secured by vendors; but the amount entered by the renters in their financial statement would give an average of 3 annas and 1 pie per gallon. The receipts of the renters on account of liquor sold were Rs. 1,87,573 and the receipts from other sources marginally noted aggregated Rs. 4,549, making a total of Rs. 1,92,122. The value of liquor on hand at the close of the fasli was Rs. 46,358—gallons 13,470 in depôts at Rs. 3-6-10 and gallons 224 in the Distillery at Annas 13-11—the total assets were therefore Rs. 2,38,480. The total charges less the value of liquor 1,758 gallons not appertaining to the present contract being 2,31,109, the result of the year's transactions was a profit of Rs. 7,371.

	RS.
Payments by shopkeepers as shop rents	1,452
Arrear collections	1,439
Miscellaneous	298
Interest at 4 per cent. on securities deposited ..	1,360
Total ..	4,549

87. TANJORE.—The contract for this farm was taken by Messrs. Parry & Co., the minimum revenue guaranteed by them being Rs. 1,12,000, and the rates of duty and prices being as marginally noted. The consumption however, being insufficient to meet the guarantee the renters availed themselves of the concession granted to holders of more than one farm, and relinquished their contract at the end of the first year. Tenders were called for afresh, and Messrs. Parry & Co. succeeded in obtaining the contract again at a reduced guarantee of Rs. 95,000. The total issues during the year amounted to 49,191 gallons at 30° under proof, the net duty thereon being Rs. 95,902; the renters had to make good a deficit of Rs. 16,098.

Strengths.	Duty.	Maximum Price.	Minimum Price.
	RS. A. P.	RS. A. P.	RS. A. P.
30° under proof..	2 0 0	3 12 0	3 4 0
60° „ ..	1 2 0	2 12 0	2 4 0

88. The stock account of distillery, depôts, and shops is given below:—

—	Distillery.	Depôts.	Shops.
Balance on 1st July 1878.	...	...	...
Manufactured and received.	†54,230	49,191 * 7	47,093
Total ...	54,230	49,198	47,093
Issued and sold	49,191	47,093	46,836
Wastage	1,372	634	...
Total ...	50,563	47,727	46,836
Balance	3,667	1,471	257

* Confiscated liquor made over to the renter.

	GALS.
† Bought of former renters	634
Received from renter's distillery in South Arcot ...	2,134
Manufactured in the renter's distillery at Tanjore ...	51,462
Total ...	54,230

The wastage in the distillery was 2·53 per cent., and that in depôts 1·29 per cent. against 2·5 per cent. allowed. The true duty on issues was therefore Rs. 1-15-7, or Rs. 2-4-11 if the whole amount of the guarantee be taken into account.

89. The annexed statement shows the monthly sales according to the different strengths and the average retail price.

Months.	Sales. 30° Under proof.	Sales. 60° Under proof.	Sales. Total.	Per-centage of each Strength. 30° Under proof.	Per-centage of each Strength. 60° Under proof.	Percentage of Sales monthly.	Average Retail Price. 30° Under proof.	Average Retail Price. 60° Under proof.	Average Retail Price. Both.
							RS. A. P.	RS. A. P.	RS. A. P.
July 1878	4,032	125	4,157	97·00	3·00	8·8	3 11 8	2 10 3	3 11 2
August „	3,897	117	4,014	97·08	2·92	8·5	3 11 8	2 12 0	3 11 2
September „	3,529	92	3,621	97·45	2·55	7·7	3 11 5	2 11 10	3 11 0
October „	4,548	152	4,700	96·76	3·24	9·9	3 11 2	2 11 9	3 10 8
November „	3,832	87	3,919	97·78	2·22	8·3	3 11 8	2 11 9	3 11 3
December „	3,694	60	3,754	98·40	1·60	7·9	3 12 0	2 10 1	3 11 6
January 1879	4,274	94	4,368	97·84	2·16	9·2	3 11 10	2 12 0	3 11 6
February „	3,841	76	3,917	98·06	1·94	8·3	3 11 10	2 12 0	3 11 7
March „	4,035	59	4,094	98·56	1·44	8·7	3 12 0	2 11 11	3 11 9
April „	3,241	51	3,292	98·45	1·55	7·0	3 11 11	2 11 9	3 11 8
May „	3,176	20	3,196	99·37	0·63	6·8	3 11 7	2 12 0	3 11 5
June „	4,189	26	4,215	99·38	0·62	8·9	3 10 5	2 12 0	3 10 4
Total ..	46,288	959	47,247	97·97	2·03	100·	3 11 7	2 11 7	3 11 3

90. The sales in actual gallons show a decrease of 1,362 as compared with the previous year; but reduced to 30° under proof, there is an increase in the consumption of spirit; this is due to the substitution of the stronger for the weaker liquor as shown by the marginal figures.

—	Fasli 1287.	Fasli 1288.	Difference.
30°	43,151	46,288	+ 3,137
60°	5,458	959	— 4,499
Total ..	48,609	47,247	— 1,362

This gradual displacement of the weaker liquor was noticed in last year's report. The maximum prices for both descriptions of liquor prevailed generally throughout the year.

91. The proportion of liquor of the two strengths consumed in the several taluks is shown below:—

Taluks.	30° Under proof.	60° Under proof.	Proportion of 30° Under proof.	Proportion of 60° Under proof.
Tanjore	16,733	681	95·9	4·1
Kumbakónam ...	10,222	51	99·5	0·5
Máyavaram... ...	2,767	...	...	...
Shiyáli	1,318	...	...	...
Nannilam	712	166	76·3	23·7
Negapatam	11,125	17	99·8	0·2
Tiruturaipúndi ...	423	...	...	...
Mannárgudi... ...	2,134	...	...	...
Patukotá	854	44	94·9	5·1
Total ...	46,288	959	97·9	2·1

92. The subjoined statement shows the usual particulars regarding consumption, &c. :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Price.
										RS. A. P.
Tanjore	344,339	635	84	17,414	64,052	·051	203·3	7·6	4,099	3 10 10
Kumbakónam ..	341,034	341	110	10,273	38,004	·030	93·4	3·1	3,100	3 11 2
Máyavaram ..	219,358	276	43	2,767	10,369	·013	64·3	6·4	5,101	3 11 11
Shiyáli	107,459	170	25	1,318	4,886	·012	52·7	6·8	4,298	3 11 3
Nannilam ..	207,407	294	76	878	3,116	·004	11·5	3·9	2,729	3 8 9
Negapatam ..	200,733	242	41	11,142	41,675	·055	271·7	5·9	4,896	3 11 10
Tirutúraipúndi ..	154,714	536	19	423	1,587	·003	22·3	28·2	8,143	3 12 0
Mannárgudi ..	161,264	300	60	2,134	7,996	·013	35·6	5·0	2,698	3 11 11
Patukotá ..	237,423	945	29	898	3,305	·004	30·9	32·6	8,187	3 10 11
Total ..	1,973,731	3,739	487	*47,247	1,74,990	·024	97·0	7·7	4,053	3 11 3

* 30° Under proof 46,288
60° Do. 959

The consumption in all taluks remains pretty much the same as in the previous year; the average for the district is very low owing to the extensive use of toddy. In Nannilam, Tiruturaipúndi, and Patukotá, the rate is much lower than elsewhere; the reason for this is not apparent as Tiruturaipúndi and Patukotá are not great toddy-producing taluks. There was a considerable increase in the number of shops, especially in Nannilam and Mannárgudi; the number opened in Tiruturaipúndi and Patukotá is still inadequate with reference to area and population. The average retail price being Rs. 3-11-3 and the price charged by the renters Rs. 3-7-6, the shopkeeper's average remuneration was 3 annas 9 pies a gallon—a fair rate.

93. The renters return their gross receipts at Rs. 1,79,872, and charges at Rs. 1,92,664. They have, however, charged off the whole amount sunk in distillery and plant Rs. 10,698, whereas 12 per cent. only should have been shown as depreciation. Some of the items also have been wrongly classified; additions to plant, such as, in the capital sum on which depreciation is allowed and charges on account of the cost of distillery bandy and bullocks and stationery for distillery use added to the distillery charges. The entry of Rs. 12,423 under the head of Commission to vendors is the difference between the renters' price for the liquor sold and that which could have been realised if all the liquor hadbeen disposed of at the maximum rate, and does not represent the real remuneration; it would give a rate of 4 annas 1 pie per gallon, whereas the rate actually secured was only 3 annas 9 pies as shown above.

The charges as admitted and classified by the Board are as follow :—

	RS.
1. Depreciation	1,356
2. Cost of liquor	37,485
3. Distribution	7,700
4. Establishment	7,668
5. Duty	1,12,000
6. Sundries	4,091
7. Vendor's commission	12,423
Total ...	1,82,723

The average retail price was made up as follows :—

	RS. A. P.
1. Depreciation	0 0 5
2. Cost of liquor	0 11 5
3. Distribution	0 2 6
4. Establishment...	0 2 6
5. Duty	2 4 7
6. Sundries	0 1 4
7. Vendor's commission	0 3 9
8. Renter's profit	0 0 9
Total ...	3 11 3

Deducting from the total charges (Rs. 1,82,723) the value of the balance of liquor in hand at the close of the fasli in both the distillery and depôts, gallons 3,667 at annas 11 pies 10, and gallons 1,503 at Rs. 3-6-9, respectively, or Rs. 7,855, the net charges on account of the year amount to Rs. 1,74,868. The receipts from sale of liquor were Rs. 1,77,695 adding miscellaneous receipts, Rs. 2,677, and interest on the securities deposited by the renters, Rs. 1,120, the total receipts aggregate Rs. 1,81,492; the renters' profit on the year's transactions therefore amounted to Rs. 6,624.

94. Trichinopoly District.—The contract was given to Messrs. Parry and Co., who held it under the former lease, the minimum revenue guaranteed by them being Rs. 1,12,000 and the rates of duty and price as marginally noted.

Strength.	Duty.	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° Under Proof ..	1 12 0	3 8 0	3 0 0
60° Do. ..	1 0 0	2 8 0	2 0 0

A surcharge of duty is leviable on all liquor sold within the Municipal limits of Trichinopoly and Srirungam at the rate of 8 annas a gallon at 30° under proof and 4 annas a gallon at 60° under proof, a corresponding addition to the retail prices being allowed. A special guarantee was required on account of this surcharge; the demand was fixed at Rs. 15,000, which is included in the guarantee of Rs. 1,12,000 specified above. The contract not proving as profitable as the renters anticipated, they availed themselves of a concession granted by Government in favor of contractors renting more than one district and relinquished the farm at the end of the first year of the triennial lease. On the contract for the remainder of the lease being thrown open to competition afresh; Messrs. Parry and Co. were again the successful tenderers at a reduced rental of Rs. 95,000. The total issues at 30° under proof were gallons 46,969 and at 60° under proof gallons 3 only; the net duty including surcharge was Rs. 93,056,* which was less by Rs. 18,944 than the amount guaranteed; the deficit was made good by the renters. The following gives particulars of stock. A small portion of the supply was brought from the renter's distillery in South Arcot :—

	RS.
* On issues—	
For the District	34,956
For Municipality..	58,100

—	Distillery.	Depôts.	Shops.
Balance on 1st July 1878 ...	2,788	1,134	...
Manufactured and received ...	44,124	46,971	45,644
Received from South Arcot Distillery	1,509		
Total ...	48,421	48,105	45,644
Issued and sold	46,971	45,644	45,644
Wastage	491	647	...
Total ...	47,462	46,291	45,644
Balance ...	959	1,814	...

95. The wastage in the distillery was 1·01 and that in depôts 1·34 per cent., the allowance for wastage in distribution being $2\frac{1}{2}$ per cent. The subjoined statement shows the issues and sales for each month and the average prices :—

Months.	Issues Monthly.	Outside Municipal Limits.			Inside Municipal Limits.		
		Sales in Gallons.	Per Cent. of Sales.	Average Price.	Sales in Gallons.	Per Cent. of Sales.	Average Price.
				RS. A. P.			RS. A. P.
July 1878	4,711	1,687	8·5	3 8 0	2,309	8·9	4 0 0
August ,, ...	3,986	1,531	7·7	3 8 0	2,095	8·1	4 0 0
September ,, ...	3,210	1,264	6·4	3 8 0	2,086	8·1	4 0 0
October ,, ...	4,297	1,834	9·3	3 8 0	2,558	9·9	4 0 0
November ,, ...	3,553	1,357	6·8	3 8 0	2,321	9·0	4 0 0
December ,, ...	4,096	1,588	8·0	3 8 0	2,403	9·3	4 0 0
January 1879	4,368	1,963	9·9	3 8 0	2,389	9·2	4 0 0
February ,, ...	3,603	1,659	8·4	3 8 0	2,005	7·8	4 0 0
March ,, ...	3,954	1,722	8·7	3 8 0	2,030	7·9	4 0 0
April ,, ...	3,536	1,602	8·1	3 8 0	1,917	7·4	4 0 0
May ,, ...	3,741	1,715	8·6	3 8 1	1,753	6·8	4 0 0
June ,, ...	3,916	1,900	9·6	3 7 11	1,957	7·6	4 0 0
Total ..	46,971	19,822	100·0	3 8 0	25,823	100·0	4 0 0

The sales throughout the district amounted to 45,644 gallons against 46,259 in the previous year, showing a decrease of 615 gallons; the falling off is due to diminished sales in the Municipal limits, the quantity sold being only 25,822 gallons against 28,467 in the year before—a decrease of 2,645 gallons, which is attributed to the removal of a large number of troops during the year. The district sales show an increase of 11·4 per cent., whilst the falling off in Municipal limits is 9·3 per cent. According to the taluk returns the maximum price was charged everywhere throughout the year.

96. The usual particulars regarding consumption are shown below:—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption.		Consumption per Head.	Sale per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
				Quantity in Gallons.	Amount.					
					RS.					RS. A. P.
Trichinopoly Cantonment	88,562	..	30	25,823	1,03,298	·292	660·77	..	2,952	4 0 0
Trichinopoly Taluk ..	217,899	519	60	4,853	16,981	·022	8·88	6·77	3,631	3 8 0
Musiri	257,174	667	79	4,963	17,365	·019	62·81	8·44	3,255	3 8 0
Kulitalai	228,313	931	47	2,247	7,864	·010	47·80	19·80	4,858	3 8 0
Perambalur	170,567	690	71	3,326	11,641	·019	46·84	9·72	2,402	3 7 0
Udayarpolliem	237,893	777	60	4,433	15,517	·018	73·88	12·95	3,965	3 8 0
Total ..	1,200,408	3,584	347	45,645	1,72,666	·038	131·54	10·33	3,459	3 12 6

The average rate of consumption was the same as in the previous year; the falling off in the Cantonment was nearly counterbalanced by an improvement throughout the rest of the district, but the consumption in all the taluks, especially Kulitalai, is low. The sales in Municipal limits were wrongly returned last year as 29,258 instead of 28,467 gallons; this was equivalent to ·32 gallons per head. In the year under report the rate was only ·29 gallons, not much more than a third of the consumption of Bellary Cantonment. The number of shops remained almost the same as in the previous year, no steps having been taken to re-open the large number of shops closed during the famine.

97. The charges as admitted and classified by the Board are shown below. Details of the charges under sundries should have been furnished. For depreciation 12 per cent. is allowed on the amount shown as capital sunk in buildings and plant.

Charges.	RS.
1. Depreciation	3,600
2. Cost of Liquor	34,744
3. Distribution	7,640
4. Establishment	5,669
5. Sundries	3,053
6. Duty	1,12,000
7. Vendor's Commission	16,962
Total ...	1,83,668

Adding to the above charges the value of liquor in hand at the beginning of the fasli, 2,788 gallons in distillery at Annas 13-8 and gallons 1,134 in depôts at Rs. 3, viz., Rs. 5,783, the total comes to Rs. 1,89,451. The following are the particulars of the price charged by the renters per gallon of 30° under proof:—

	RS. A. P.
1. Depreciation...	0 1 3
2. Cost of Liquor	0 12 6
3. Distribution	0 2 8
4. Establishment	0 2 0
5. Sundries	0 1 0
6. Duty	2 6 5
7. Vendor's Commission	0 5 11
Total ...	3 15 9
8. Renter's loss	0 3 3
Total ...	3 12 6

The cost of liquor is the same as in the previous year; the supply obtained from South Arcot is charged at the rate of 13 annas 11 pies per gallon. There is a considerable reduction under the head of establishment, but this is probably in a great measure due to transfer of charges to the head of sundries, which did not appear in last year's accounts. The rate of duty is far higher owing to the surcharge paid on the sales within the Municipality, and owing to the deficit which the renters had to make good. The remuneration allowed to shopkeepers is liberal. The gross sale proceeds of liquor amounted to Rs. 1,72,666, and the miscellaneous receipts to Rs. 1,869; total Rs. 1,74,535. To this must be added the interest on Government Securities deposited by the renters, viz., Rs. 1,120, at 4 per cent. and the value of liquor in hand at the close of the fasli in the distillery and depôts Rs. 6,200 (gallons 959 at Annas 13-9 and gallons 1,814 at Rs. 2-15-5 respectively). The total receipts will then amount to Rs. 1,81,856 showing a deficit of Rs. 7,595 on the year's transactions. A sum of Rs. 4,353 is shown as due to shopkeepers on account of deposits forfeited; on recovery this will reduce the deficiency to Rs. 3,242.

98. Madura.—The taluks of this district had been rented out separately prior to the commencement of the current lease; it was determined to introduce the excise system, and the contract for the whole district was given to Saravanamuthu Pillai of Madras, the minimum revenue guaranteed by him being Rs. 1,32,000, of which Rs. 12,000 represents the guarantee for surcharge of duty on sales within the Municipal limits of the town of Madura. The aggregate rental of the arrack farm in the previous year was Rs. 1,97,050, but this was much in excess of their value, and the renters under the former lease sustained very heavy losses. Even at the reduced rental the contractor was not able to work the farm at a profit, partly owing to mismanagement, and as he was unable to pay the Government dues the contract had to be cancelled at the expiration of the first year of the lease, and was resold to Messrs. Arbuthnot and Co. for a guaranteed minimum of Rs. 80,000. The rates of duty and price are shown below:—

	Duty.	Price.	
		Maximum.	Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° Under proof	1 8 0	3 4 0	2 12 0
60° Do.	0 14 0	2 8 0	2 0 0

On liquor sold within the Municipal limits of the town of Madura a surcharge of duty was levied at the rate of eight annas on every gallon of 30° under proof, and four annas per gallon at 60° under proof, a corresponding increase of price being allowed.

99. The renter was allowed to supply the district from his distillery at Coimbatore; the consignments of liquor were brought thence by rail and stored in a central depot, where the issues to outlying depots were excised. The net duty on issues amounted to Rs. 74,309, and the surcharge levied on sales within the Municipality to Rs. 3,405, or a total of Rs. 77,714, so that the renter had to make good a deficit of Rs. 54,286.

100. The following Statement shows the stock account of renters and shopkeepers :—

——	Excise Depôt.	Depôts.	Shops.
Balance on 1st July 1878 ...	...	...	...
Manufactured and received ..	52,115	50,810	44,696
Total ...	52,115	50,810	44,696
Issued and sold	50,810	44,696	44,696
Wastage	904	523	...
Total ...	51,714	45,219	44,696
Balance ...	401	5,591	...

The wastage in the depot of excise which includes wastage in transit from Coimbatore was 1·7 per cent. and that in depots 1·03 per cent. The true duty therefore on issues was Rs. 1-7-8. There were no issues of liquor at 60° under proof.

101. The issues and sales for each month are given in the subjoined statement :—

Months.	Issues Monthly.	Sales in Gallons.	Percentage of Sales.	Average Price.
	GALS.			RS. A. P.
July 1878 ...	6,790	3,480	7·8	3 5 0
August „ ...	3,847	3,674	8·2	3 0 1
September „ ...	4,125	3,656	8·2	3 2 3
October „ ..	4,805	4,221	9·5	3 2 4
November „ ...	3,146	3,414	7·6	3 2 6
December „ ...	7,419	3,761	8·4	3 2 2
January 1879 ...	2,745	4,669	10·4	3 1 11
February „ ...	3,973	4,319	9·7	3 1 11
March „ ...	3,866	3,781	8·5	3 2 1
April „ ...	3,527	3,325	7·4	3 2 1
May „ ...	2,696	3,165	7·1	3 2 4
June „ ...	3,871	3,231	7·2	3 2 0
Total ..	50,810	44,696	100·	3 2 3

The sales show a decided improvement as compared with the previous year when but 32,865 gallons were consumed; in the year under report there was an increase of 36 per cent., notwithstanding a considerable enhancement of the retail prices which averaged Rs. 3-2-3 a gallon against Rs. 2-9-9 in the preceding year. This was no doubt due to the recovery of the people, the improvement being continuous subject to the usual falling off during the toddy season.

102. The particulars of consumption are given below :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sale per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
					RS.					RS. A. P.
Madura	231,418	446	204	10,006	34,498	·043	49	2·1	1,134	3 7 1
Tirumangalam	241,215	618	188	1,525	4,483	·006	8	3 3	1,283	2 15 0
Melúr	128,983	514	173	3,236	9,778	·025	18	2·9	746	3 0 4
Dindigul	324,366	1,109	148	6,056	18,502	·018	41	7·4	2,192	3 0 11
Palni	184,831	989	69	5,577	17,046	·030	81	14·3	2,679	3 0 11
Periyakulam	217,418	1,200	75	5,116	15,730	·023	68	16·0	2,899	3 1 2
Sivaganga	938,384	4,626	496	5,881	17,898	·014	7	2·6	525	3 0 10
Ramnad			1,290	7,299	22,353					
Total ..	2,266,615	9,502	2,643	44,696	1,40,288	·019	17	3·6	857	3 2 3

The rate of consumption was higher than in the previous year by ·05, which was no doubt due in some measure to the greater accuracy of the accounts rendered, but it was mainly the result of the improvement in the condition of the people. There was a slight decrease in the rate of consumption in Madura and an increase elsewhere, especially in Melúr, Periyakulam, and the two large Zemindaries. The rate is very low in Tirumangalam as in the previous year; the reason is not apparent. The prices above shown are those charged by the renter on sales to shopkeepers, but the latter appear to have charged the maximum rates allowed everywhere except in Madura and Tirumangalam.

The consumption within the Municipal limits of Madura is shown below :—

Town.	Population.	Number of Gallons sold.	Rate per Head.
Madura	51,987	6,809	·13

103. In the financial statement the charges are given as Rs. 1,46,102, but the particulars entered do not seem to be reliable, and it has been found impossible to obtain more accurate accounts from the renter who has resigned the contract for the district. The statement gives the cost of liquor 52,115 gallons, at 10 annas a gallon, but the rate calculated for Coimbatore, from which the liquor required for this district was obtained, is 13 annas 1 pie which will be adopted. There is a considerable discrepancy, however, between the quantities entered in the Coimbatore returns as sent from Coimbatore to Madura, and the quantities received in the latter district. Under the head General charges the large sum of Rs. 3,504 is entered without any particulars, so that it is not possible to say how far this item is admissible. The charges at depôts are given at Rs. 20,261, and no explanation is furnished of the cause of this large expenditure. Taking the renter's figures the total charges amount to Rs. 2,17,238 classified as follows :—

	RS.	Rate per Gallon. RS. A. P.
1. Cost of liquor	43,740	0 13 9
2. Cost of distribution	25,665	0 8 2
3. Establishment	7,386	0 2 4
4. Sundries	8,447	0 2 8
5. Duty	1,32,000	2 10 0
Total ...	2,17,238	4 4 11

The renter's price being Rs. 3-2-3, he apparently lost Rs. 1-1-8 on each gallon. The cost of liquor is high and the distribution charge enormous; the high rate of duty is due to the large deficit which had to be made good. There are no means of calculating the remuneration obtained by shopkeepers, as the shop returns show the prices charged by the renters to the shopkeepers and not the prices charged by the latter to the public.

104. The receipts from sale-proceeds of liquor are returned as Rs. 1,40,288, to which must be added the interest on Government Securities deposited Rs. 1,320, and the value of the stock on hand, 401 gallons at 13 annas and 9 pies and 5,591 gallons at Rs. 1-10-11 or Rs. 9,751, making a total of Rs. 1,51,359. The loss of the renters, therefore, comes out as Rs. 65,879, but as already observed the returns furnished are so imperfect that little reliance can be placed on calculations based on them.

105. Tinnevelly.—The excise system was extended to this district at the commencement of the current triennial lease and the contract was given to Saravanamuttu Pillai, the minimum revenue guaranteed by him being Rs. 1,10,000, of which Rs. 10,000 represents the special guarantee on account of surcharge of duty on liquor sold in the Municipal limits of Tinnevelly and Palamcottah. The duty and prices are marginally noted; a surcharge of 8 annas and 4 annas per gallon for liquor at 30° under proof and 60° under proof respectively is levied in addition on sales in the Municipal towns above-mentioned, a corresponding addition to the price being allowed. The guarantee however proved to be too high and the renter was unable to meet his engagements; he accordingly took advantage of the concession granted to holders of more than one farm and relinquished his contract at the end of the first year of the lease. Tenders were invited afresh and the contract for the two remaining years was given to Thavesumuttu Nadan, the sum guaranteed being Rs. 65,000 per annum. The renter was allowed to supply the district from his

Strength.	Duty.	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
30° Under proof.	1 8 0	3 4 0	2 12 0
66° do.	0 14 0	2 8 0	2 0 0

distillery at Póthánur in the Coimbatore District. The issues to depôts were gallons 21,132 at 30° under proof and gallons 32,541 at 60° under proof, the net duty on which amounted to Rs. 58,667; adding the surcharge on gallons 2,982 at 30° under proof sold within the Municipal limits of Palamcottah and Tinnevelly, the total revenue amounted to Rs. 60,158 or Rs. 49,842 less than the guaranteed revenue; the whole of this deficiency has been recovered from the renter. The loss is very heavy, but a great deal of it would have been saved by better management and greater attention on the part of the late renter to his business.

106. The following statement shows the stock account in distilleries, depôts and shops at 30° under proof.

—	Distillery.	Depôt.	Shops.
	GALS.	GALS.	GALS.
Balance	...	...	...
Manufactured and received ...	42,781	39,727	31,534
Total ...	42,781	39,727	31,534
Issued and sold	39,727	31,534	31,024
Wastage	679	859	...
Total ...	40,406	32,393	31,024
Balance ...	2,375	7,334	510

The wastage in depôts and the issues to shops are reported to be incorrect, the returns being incomplete, so that no conclusions can be drawn from the figures. The wastage in the distillery was 1·59 per cent.

107. The monthly sales are shown below :—

Months.	Sales.			Percentage of each Strength.		Percentage of Sales Monthly.	Average Retail Price.		
	30° Under Proof.	60° Under Proof.	Total.	30° Under Proof.	60° Under Proof.		30° Under Proof.	60° Under Proof.	Both.
	GALS.	GALS.	GALS.				RS. A. P.	RS. A. P.	RS. A. P.
July 1878.	1,206	2,385	3,591	33·6	66·4	8·4	3 6 2	2 8 0	2 12 9
August ,,	1,288	2,691	3,979	32·4	67·6	9·4	3 5 8	2 8 0	2 12 5
September ,,	1,329	3,414	4,743	28·0	72·0	11·2	3 5 8	2 8 0	2 11 10
October ,,	1,601	4,153	5,754	27·8	72·2	13·6	3 5 6	2 8 0	2 11 9
November ,,	1,600	2,831	4,431	36·1	63·9	10·4	3 5 5	2 8 0	2 12 10
December ,,	1,843	2,470	4,313	42·7	57·3	10·2	3 5 3	2 8 0	2 13 8
January 1879.	1,880	2,742	4,622	42·4	57·6	10·9	3 5 3	2 8 0	2 13 5
February ,,	1,446	1,817	3,263	44·3	55·7	7·7	3 5 2	2 8 0	2 13 10
March ,,	1,317	1,527	2,844	46·3	53·7	6·7	3 5 3	2 8 0	2 14 2
April ,,	1,217	1,207	2,424	50·2	49·8	5.7	3 5 2	2 7 11	2 14 7
May ,,	757	873	1,630	46·4	53·6	3·8	3 6 0	2 8 0	2 14 6
June ,,	292	574	866	33·7	66·3	2·0	3 4 0	2 7 11	2 12 0
Total ..	15,776	26,684	42,460	37·1	62·9	100·0	3 5 5	2 8 0	2 12 11

The sales show a great falling off as compared with the previous year, when they were 79,765 gallons and a still greater decline as compared with the year before that when the consumption was 107,077; the decline in Fasli 1287 was due to the famine, but the falling off in the year under report cannot be assigned to that cause; the sales during the last two months are understated owing to the incompleteness of the returns, and this accounts for a portion of the difference, but it is mainly due to mismanagement. With an improvement in the state of the season and the condition of the people the consumption should certainly not have been lower than in the previous year, but the farm was not properly worked and the late renter who had taken up the contracts for two other large districts did not give his personal attention to the management; illicit practices no doubt prevailed to a great extent and the full licit consumption was not secured.

108. The strong liquor appears to be superseding the weaker, the proportion being 37 per cent. of the whole quantity against 21 per cent. in the year before. The variation in the last column

of the statement are due to the difference in the proportions in which the two strengths were consumed. The maximum prices appear to have been charged throughout the year. The subjoined statement gives particulars of consumption :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption.		Consumption per Head.	Sales per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Price.
				Quantity in Gallons.	Amount.					
					RS.					RS. A. P.
Tinnevelly	184,109	365	102	9,542	30,304	·052	93·5	3·6	1,805	3 2 10
Nángunéri	178,078	604	71	3,232	8,191	·018	45·5	8·5	2,508	2 8 6
Ambásamudram ..	163,215	303	79	4,686	12,279	·029	59·3	3·8	2,066	2 9 11
Tenkási	122,001	337	65	3,845	9,663	·031	59·2	5·2	1,877	2 8 3
Sankaranainárkoil ..	182,018	609	87	2,976	7,553	·016	34·2	7·0	2,092	2 8 7
Srívilliputur	176,954	533	41	1,567	4,087	·009	38·2	13·0	4,316	2 9 9
Sátúr	156,862	463	58	2,142	5,487	·014	36·9	8·0	2,704	2 9 0
Otapidáram	296,376	1,147	126	7,041	21,175	·034	55·9	9·1	2,352	3 0 1
Tenkarai	234,346	456	124	7,429	20,651	·032	59·9	3·7	1,890	2 12 6
Total ..	1,693,959	4,817	753	*42,460	119,390	·025	56·4	6·4	2,249	2 12 11

* 30° Under Proof 15,776
60° do. 26,684

The rate of consumption is very low, especially in the northern taluks; the decline as compared with the previous year is most conspicuous in Ambásamudram, Tenkási, and Tinnevelly. The average price for both strengths was Rs. 2-12-11 or more than a rupee in excess of the average price for the preceding year; this may have checked consumption in some degree but will not account for so great a falling off.

The sales in the Municipalities of Tinnevelly and Palamcottah are given below :—

Muncipalities.	Population.	Gallons Sold.	Rate per Head.
Tinnevelly	21,044	718	·034
Palamcottah	17,945	2,263	·12
Total ...	38,989	2,981	...

109. The renter's financial statement shows his receipts as Rs. 1,37,468 and his charges as Rs. 1,83,694 inclusive of the deficit made good; according to these figures he sustained a loss of Rs. 46,226 without taking into account the value of the balance of liquor in hand at the close of the year. The returns are so inaccurate, however, the different statements not agreeing with one another, that a detailed analysis of the figures would not be of any use, and as the renter has resigned his contract there is no possibility of getting the errors rectified. Loss was inevitable from the excessive sum guaranteed but it might have been considerably diminished by careful management of the farm to which the renter did not devote his personal attention.

110. Coimbatore.—The contract was given to the former renter, Saravanamuthu Pillai, for a further term of three years; the conditions as to duty, rental, and price are stated below :—

Strength.	Duty.	Guaranteed Amount.	Maximum Price.	Minimum Price.
	RS. A. P.	RS.	RS. A. P.	RS. A. P.
30° Under Proof ...	2 0 0	1,50,000	3 12 0	3 4 0
60° Do. ...	1 2 0		2 12 0	2 4 0

The net duty on issues, viz., 65,463 gallons of 30° under proof, amounted to Rs. 1,27,653, or Rs. 22,347 less than the guaranteed revenue. The deficit was paid in full by the renter.

111. The following is the stock statement at 30° under proof :—

—	Distillery.	Depôts.	Shops.
	GALLONS.	GALLONS.	GALLONS.
Balance on 1st July 1878 ...	8,911	4,563	1,464
Manufactured and received ...	157,500	65,463	60,995
Total ...	166,411	70,026	62,459
Issued and sold to Depôts ...	65,463	60,995	60,781
Issued to other Districts.			
Madura	47,017	...	...
Tinnevelly	36,491	...	..
Nilgiri	2,305	...	...
Wastage	3,937	1,844	...
Total ...	155,213	62,839	60,781
Balance ...	11,198	7,187	1,678

The wastage in the distillery was at the rate of 2·36 per cent. and that in depôts 2·63, or only very slightly in excess of the allowance for wastage, so that the true duty did not appreciably exceed the nominal duty.

112. The following statement exhibits the monthly issues and sales :—

Months.	Issues.	Percentage.	Sales.	Percentage.	Average Price.
	GALONS.		GALONS.		RS. A. P.
July 1878	5,341	8·2	5,268	8·7	3 12 0
August „	5,038	7·7	5,244	8·6	3 12 0
September „	4,734	7·2	5,020	8·2	3 12 0
October „	6,087	9·3	5,871	9·7	3 12 0
November „	6,472	9·9	5,633	9·3	3 12 0
December „	5,468	8·4	5,647	9·3	3 12 0
January 1879	5,665	8·5	5,679	9·3	3 12 0
February „	4,669	7·1	4,453	7·3	3 12 0
March „	4,297	6·6	4,496	7·4	3 11 11
April „	4,371	6·7	4,047	6·7	3 11 11
May „	4,904	7·5	4,493	7·4	3 11 11
June „	8,417	12·9	4,930	8·1	3 11 11
Total ...	65,463	100·	60,781	100·	3 12 0

In the previous year 20° under proof was consumed as well as 30° under proof, the demand for the weaker liquor being chiefly confined to the taluks of Coimbatore, Satyamangalam, Collegal, and Karúr; in the year under review the issue of 20° under proof was disallowed: the sales do not appear to have been affected by the change; there is a general improvement as compared with the previous year except during the toddy season when the falling off is more marked. The maximum price prevailed almost throughout the year.

113. The subjoined statement shows the usual particulars as to area, population, shops, and consumption in each taluk :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sale per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Retail Price.
					RS.					RS. A. P.
Coimbatore	243,995	623	122	20,672	77,513	·085	169·4	5·11	2,000	3 12 0
Satyamangalam ..	169,916	1,000	122	6,312	23,670	·037	51·7	8·20	1,397	3 12 0
Collegal	90,830	1,400	96	5,577	20,902	·061	58·1	14·58	946	3 12 0
Polláchi	167,546	700	136	6,235	23,380	·037	45·8	5·15	1,232	3 12 0
Erode	233,564	698	79	5,735	21,413	·025	72·6	8·84	2,956	3 11 9
Bhaváni	102,813	800	56	2,117	7,935	·021	37·8	14·28	1,836	3 12 0
Palladam	237,808	815	62	4,075	15,267	·017	65·7	13·14	3,835	3 11 11
Dhárápuram	217,493	·852	56	2,995	11,230	·014	53·5	15·21	3,884	3 12 0
Karúr	175,659	590	74	4,578	17,160	·026	61·9	7·97	2,374	3 12 0
Udamalpet	123,650	518	68	2,485	9,318	·020	36·5	7·61	1,818	3 12 0
Total ..	1,763,274	7,996	871	60,781	2,27,788	·034	69·8	9·18	2,024	3 12 0

The sales were 2,276 gallons in excess of those for Fasli 1287, the increase being due to the more favorable character of the season. The average rate of consumption per head was ·034 against ·033 in the previous year; the improvement being general except in Coimbatore and Satyamangalam. The average price at which the renter sold liquor to shopkeepers being Rs. 3-8-10 per gallon and the retail price charged Rs. 3-12-0, the rate of remuneration was fair, but the sales per shop in some taluks were low and would not enable the shopkeepers to earn a livelihood.

114. The charges entered in the renter's financial statement amount to Rs. 3,05,549, but some of the items cannot be admitted as fairly debitable to the concern, such as presents to servants, payments to religious institutions, &c. On this account Rs. 1,230 will be deducted from the sum entered as general charges, viz., Rs. 4,363, and under interest a sum of Rs. 270, which appears to have no connection with the concern: Rs. 700, licence tax subsequently refunded will be deducted from both sides of the account. Rs. 1,991 entered as expended on the "purchase of stores and repairs of stills, &c.," will be struck out, as ample allowance is made for the depreciation of buildings and plant, to which head these charges appertain. The item "Stamps and Law Charges" amounts to Rs. 3,079, and the miscellaneous expenditure is altogether very heavy. Under the head of distribution it seems that the cost of cartage of liquor sent to other districts has been included; this is wrong, but the amount is not separately shown, and cannot therefore be excluded. On both sides of the account Rs. 2,386, being the amount of trainage paid on certain casks despatched by railway to other districts, has been erroneously included; this sum will be omitted. The cost of the excise establishment shown under the head "Other items" will be transferred to the head "Cost of liquor." Depreciation at 12 per cent. will be allowed on Rs. 81,500, the amount entered as sunk in distillery buildings and plant. A sum of no less than Rs. 2,66,736 is shown as sunk in dead stock. This appears to be the value of firewood, jaggery, &c., in stock; no allowance can be made for depreciation on this item. The expenditure as now classified is as follows :—

	RS.
1. Depreciation	9,780
2. Cost of liquor	1,11,249
3. Distribution	17,601
4. Duty	1,50,000
5. Supervision	13,765
6. Sundries	6,357
Total ...	3,08,752

Adding to the above the value, viz., Rs. 24,981, of liquor on hand at the commencement of the year—8,911 gallons in distilleries at Rs. 1-1-5 and 4,563 gallons in depôts at Rs. 3-5-7—the total charges amount to Rs. 3,33,733. This is exclusive of the remuneration paid to shopkeepers, who buy the liquor from the renters and sell it to the public at any price they please, subject to the maximum and minimum limits prescribed. The renter's average price amounts to Rs. 3-8-10;

and the retail price of liquor sold to the public being Rs. 3-12-0, the vendor's remuneration is Annas 3-2 per gallon. The following are the component items of the retailer's price per gallon:—

	RS.	A.	P.
1. Depreciation	0	0	11
2. Cost of liquor	0	12	2
3. Distribution	0	4	3
4. Duty	2	5	0
5. Establishment	0	3	7
6 Sundries	0	1	6
7. Vendor's remuneration	0	3	2
Total ...	3	14	7
Renter's loss	0	2	7
Retail Price ...	3	12	0

There has been a very considerable reduction in the cost of liquor as comparedwith the previous year owing to the comparative cheapness of materials, but the distribution charges are more than double those of the previous year owing to the inclusion of expenses on account of liquor sent to other districts, which do not properly appertain to this contract. Under establishment there is a considerable reduction.

115. The renter's receipts on account of liquor sold were Rs. 2,16,687 and the miscellaneous receipts, particulars of which are given in the margin, amounted to Rs. 3,562, making a total of Rs. 2,20,249. The total charges as already stated were Rs. 3,33,733, from which, however, must be deducted the value of 85,813 gallons of liquor at Annas 13-1, or Rs. 70,170, supplied to other districts, and the charges appertaining to the Coimbatore contract amount therefore to Rs. 2,63,563. The renter had on hand at the end of the year unexcised liquor amounting to 11,198 gallons valued at Annas 13-1 per gallon (9,157), and duty-paid liqior 7,187 gallons valued at Rs. 3-11-5 (26,689), total Rs. 35,846. The result of the year's transactions therefore was a loss of Rs. 7,468.

	RS.
Arrear collections from shopkeepers	999
Sundry receipts	1,063
Interest on securities deposited at 4 per cent. ..	1,500
Total ..	3,562

116. Nilgiris and Wynaad.—It was determined to extend the excise system to the Wynaad Taluk of Malabar, and as that tract was too small to be worked by itself and could easily be managed by the Nílgiri renter, it was stipulated that competitors should tender for both the Nílgiris and Wynaad, offering a separate guarantee for each tract. Messrs. Arathoon and Co., the renters of the Nílgiri District under the last lease, obtained the farm, the minimum revenue guaranteed for the Nílgiris being Rs. 1,00,500 and that for the Wynaad Rs. 65,500. As the renters are allowed to meet the deficiency in the duty on issues of liquor in one tract from excess payments in the other, the two practically constitute one farm in this respect, but it is necessary to treat them as separate farms for purposes of administration to enable the Collectors of the respective districts to take measures for the recovery of the Government dues under the Abkári law, &c. The conditions as to strengths of liquor sold, the rates of duty, and the maximum and minimum prices are noted in the margin.

Strength.	Duty.	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS. A. P.	RS. A. P.
20° Under Proof ..	3 4 0	5 0 0	4 8 0
30° do. ..	2 13 0	4 8 0	4 0 0
60° do. ..	1 10 0	3 4 0	2 12 0

117. The quantity of liquor excised in the two tracts and the net duty collected are shown in the subjoined statement. The duty collected exceeded the guaranteed revenue by Rs. 556:—

Strength.	Nilgiri. Gallons.	Nilgiri. Duty.	Wynaad. Gallons.	Wynaad. Duty.
		RS. A. P.		RS. A. P.
20° Under Proof	8,962 25	29,128 3 1	2,069 21	6,725 10 9
30° do.	33,913 42	95,382 12 4	13,943 33	39,216 9 11
60° do.	292 47	476 1 5	...	...
	43,169 18	1,24,987 0 10	16,013 6	45,942 4 8
Deduct 2½ per cent. for wastage.	...	3,124 4 10	...	1,148 8 11
Net Duty ...	...	1,21,862 12 0	...	44,793 11 9

118. The following statement shows the stock account in depôts and shops:—

—	Depôt of Excise.	Out Depôts.	Shops.
Nilgiris.			
Balance	234	...	2,201
Manufactured and received ...	45,182	44,324	42,793
Total ...	45,416	44,324	44,994
Issued and sold	44,324	42,787	42,896
Wastage	709	1,083	...
Total ...	45,033	43,870	42,896
Balance ...	383	454	2,098
Wynaad in Malabar.			
Balance	...	...	...
Manufactured and received ...	...	16,309	14,105
Total ...	...	16,309	14,105
Issued and sold	...	14,105	14,105
Wastage	...	408	...
Total ...	...	14,513	14,105
Balance ...	...	1,796	...

The wastage in depôts in the Nílgiris and Wynaad together amounted to 2·46 per cent., or very nearly the same as the authorized wastage allowance.

119. The following statement shows the monthly sales. The increase in the sales in Nílgiris is chiefly due to the inclusion of the South-East Wynaad, which formerly formed part of the Wynaad Taluk of Malabar. The liquor consumed in the two tracts is chiefly of the strengths 20° under proof and 30° under proof; a small quantity of liquor at 60° under proof also appears to have been sold on the Nílgiris. Liquor was throughout the N.lgiris and Wynaad sold at the maximum prices prescribed:—

Months.	Nilgiris.								Wynaad in Malabar.					
						Percentage of							Percentage of	
	20° Under Proof.	30° Under Proof.	60° Under Proof.	Total.	Percentage.	20° Under Proof.	30° Under Proof.	60° Under Proof.	20° Under Proof.	30° Under Proof.	Total.	Percentage.	20° Under Proof.	30° Under Proof.
July 1878 ..	456	2,478	148	3,082	7·4	14·7	80·5	4·8	..	834	834	6·0	..	100·0
August ,, ..	599	2,711	1	3,311	7·9	18·0	81·7	0·3	..	1,056	1,056	7·6	..	100·0
September ,, ..	622	2,465	96	3,183	7·6	19·6	77·4	3·0	..	1,305	1,305	9·5	..	100·0
October ,, ..	673	2,825	24	3,522	8·4	19·1	80·2	0·9	..	1,190	1,190	8·5	..	100·0
November ,, ..	651	2,616	..	3,267	7·8	19·9	80·1	..	744	462	1,206	8·7	61·7	38·3
December ,, ..	746	2,819	..	3,565	8·5	20·9	79·1	..	415	965	1,380	10·0	30·0	70·0
January 1879 ..	741	2,729	..	3,470	8·3	21·3	78·7	..	455	807	1,262	9·1	36·1	63·9
February ,, ..	675	2,608	..	3,283	7·9	20·6	79·4	..	46	1,141	1,187	8·5	3·9	96·1
March ,, ..	863	2,899	..	3,762	9·0	22·9	77·1	..	44	1,342	1,386	10·0	3·2	96·8
April ,, ..	806	3,033	..	3,839	9·2	21·0	79·0	..	136	936	1,072	7·8	12·7	87·3
May ,, ..	885	3,108	..	3,993	9·6	22·1	77·9	..	..	1,004	1,004	7·4	..	100·0
June ,, ..	782	2,711	..	3,493	8·4	22·4	77·6	..	..	960	960	6·9	..	100·0
Total ..	8,499	33,002	269	41,770	100·0	20·4	79·0	0·6	1,840	12,002	13,842	100·0	13·3	86·7

—	20° Under Proof.	30° Under Proof.	60° Under Proof.
Ootacamund	4,525	16,173	..
Coonoor	1,384	5,084	30
Total ..	5,909	21,257	30

120. The following statement shows the particulars of consumption. The rate of consumption on the Nílgiris is more than four times as high as in the Wynaad, and the bulk of the sales is within the limits of the Municipal towns of Ootacamund and Coonoor as will be seen from the figures noted in the margin :—

Taluks.	Population.	Area.	Number of Shops opened.	Consumption.		Consumption per Head.	Sale per Shops in Gallons.	Square Miles per Shop.	Population per Shop.	Average Price.
				Quantity in Gallons.	Amount.					
					RS.					RS. A. P.
Nilgiris	74,531	978	54	41,770	1,91,876	·564	713·5	18·1	1,380	4 9 5
Wynaad in Malabar District	100,908	886	69	13,842	63,211	·137	200·6	12·8	1,462	4 9 1
Total ..	175,439	1,864	123	*55,612	2,55,087	·317	452·1	15·2	1,426	4 9 5

* 20° Under Proof 10,339
30° do. 45,004
60° do. 269

121. The charges incurred in connection with the contract are given as Rs. 2,06,013 and Rs. 80,552 respectively for the Nílgiris and Wynaad. The marginally-noted items included in these charges will be disallowed. Depreciation will be allowed on the value of buildings and dead stock, viz., Rs. 7,107 at 12 per cent. Deducting the value, Rs. 8,474, of liquor sent from the Mettupálaiyam distillery to Wynaad, which is included in the cost of liquor for the Nílgiris, the total charges admitted by the Board amount to Rs. 2,74,964 classified as follows :—

Nílgiris.

	RS.
Abkári purse, Wellington Races	350
Interest on deposit money	1,530
Depreciation of the copper utensils in the distillery..	1,000
Wynaad.	
Amount sunk in plant and dead stock	100
Interest on amount deposited	1,000
Total ..	3,980

	RS.		RS.
1. Depreciation	853	6. Duty	1,66,676
2. Cost of liquor	65,372	7. Vendor's Commission	7,649
3. Cost of distribution	23,706		
4. Establishment	5,962	Total ...	2,74,964
5. Sundries	4,746		

Adding to the above the value of liquor on hand at the beginning of the year, viz., Rs. 665—222 gallons in distillery at Rs. 1-4-0 and 223 gallons in Ootacamund depôt at Rs. 1-10-6—the entire charges of the year amount to Rs. 2,75,629. The incidence of the charges under the several heads per gallon is as follows :—

—	Actual per Gallon sold.	Per Gallon 30° Under Proof.	Per Gallon 20° Under Proof.
	RS. A. P.	RS. A. P.	RS. A. P.
1. Description	0 0 3	0 0 3	0 0 3
2. Cost of liquor	1 2 2	1 1 5	1 3 11
3. Distribution	0 6 7	0 6 7	0 6 7
4. Establishment	0 1 8	0 1 8	0 1 8
5. Sundries	0 1 4	0 1 4	0 1 4
6. Duty	2 14 2	2 13 1	3 3 6
7. Vendor's Commission	0 2 2	0 2 2	0 2 2
	4 12 4	4 10 6	5 3 5
Renter's loss	0 2 11	0 2 6	0 3 5
Rental price	4 9 5	4 8 0	5 0 0

The renters thus appear to have lost 2 annas 11 pies on each gallon. There has been a slight reduction in the cost of liquor as compared with last year, but the cost of distribution is excessively high and is due to the expense of transporting liquor through the difficult country of the Wynaad; the cost of distribution in that part of the farm was no less than 11 annas 7 pies a gallon, whilst on the Nílgiris it was only 4 annas 8 pies a gallon, which itself is a high rate. The vendor's commission comes out as 2 annas 2 pies per gallon, but this does not represent the real rate. This charge has been made in the Nílgiri statement alone, and represents the difference between the value of liquor supplied to shopkeepers at the maximum rates and the value of the same quantity less 4 per cent. at the same rates. The system adopted has apparently been to allow the shopkeepers on the Nílgiris liquor free of charge to the extent of 4 per cent. of the sales and to charge for the remaining 96 per cent. The remuneration on the actual sales on the Nílgiris amounts therefore to 2 annas 11 pies a gallon. The rate cannot be ascertained for Wynaad, as in the statement relating to that part of the farm no charge is made on account of vendor's commission on the debit side, although credit is taken for the full value of the entire quantity of liquor supplied to shopkeepers at the maximum rates ou the receipt side.

122. The receipts on account of liquor sold on the Nílgiris and Wynaad amounted to Rs. 2,54,754 and the miscellaneous receipts to Rs. 2,303. Adding to these the value of liquor on hand at the end of the year—541 gallons of unexcised liquor at 30° under proof at Rs. 1-1-8 and 2,250 gallons of excised liquor of 30° under proof at Rs. 4-5-10, or Rs. 10,418—the total assets of the year may be taken at Rs. 2,67,475. The result of the year's transactions is therefore a loss of Rs. 8,154.

	RS.
Payments by shopkeepers on account of privilege of sale	643
Interest on amount deposited	1,660
Total ..	2,303

123. Salem.—Messrs. Wilson and Co., the renters under the last lease, secured the contract again for a fresh lease of three years. The following table exhibits the strengths of liquor to be issued, the amount of duty thereon, the minimum amount guaranteed, and maximum and minimum prices prescribed under the new lease :—

Strengths of Liquor to be issued.	Duty.	Minimum amount Guaeanteed.	Prices.	
			Maximum.	Minimum.
In the District.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
30° Under Proof	2 4 0	1,72,500 0 0	4 0 0	3 8 0
60° Do.	1 4 0	..	2 12 0	2 4 0
In the Municipality of Salem.	Surcharge.	Guarantee for Surcharge.		
30° Under Proof	0 8 0	5,804 0 0	4 8 0	4 0 0
60° Do.	0 4 0		·3 0 0	2 8 0
Total Guarantee ..	..	1,77,584 0 0	..	..

*30° Under Proof	66,081
60° Do.	55
Total ..	66,136
	RS.
†On 30° Under Proof	1,44,967
On 60° Do.	67
Surcharge	4,057
Total ..	1,49,091

124. The issues were 66,136* gallons, on which the net duty, including the surcharge, was Rs. 1,49,091,† or less by Rs. 28,493 than the amount guaranteed, the whole of which has been paid by the renters.

125. The following shows the stock account of renters and shopkeepers at 30° under proof :—

—	Distillery.	Depôts.	Shops.
	GALS.	GALS.	GALS.
Balance on 1st July 1878	3,932	255	10,357
Manufactured and received	64,711	66,113	60,675
Total ...	68,643	66,368	71,032
Issued and sold	66,113	60,675	58,494
Wastage	77	764	...
Total ...	66,190	61,439	58,494
Balance ...	2,453	4,929	12,538

The wastage in the distillery was 11 per cent., and that in depôts 1·15 per cent. against 2·5 allowed. The true duty at 30° under proof, exclusive of surcharge, was therefore Rs. 2-3-6 per gallon, and if the deficit which the renters had to make good be taken into account it will amount to Rs. 2-11-6.

126. The following statement shows the issues and sales for each month, and the average price : —

Months.	Issues Monthly.	Issues to Shops from Depôts.	Percentage of Issues to Shops.	Sales as returned by Shopkeepers at 30° Under Proof.	Percentage of Sales.	Average Price.
1	2	3	4	5	6	7
						RS. A. P.
July 1878	7,223	5,181	8·54	4,949	8·46	4 0 9
August „	5,252	4,810	7·93	4,666	7·97	4 0 2
September „	4,281	4,688	7·73	4,448	7·60	4 0 11
October „	6,434	5,594	9·22	5,417	9·28	4 0 11
November „	4,381	4,963	8·18	4,815	8·23	4 1 3
December „	6,227	5,314	8·76	5,027	8·60	4 0 6
January 1879	5,205	5,974	9·84	5,791	9·90	3 14 9
February „	4,972	4,569	7·53	4,423	7·56	4 0 3
March „	6,446	4,739	7·81	4,579	7·82	3 15 6
April „	3,011	4,393	7·24	4,344	7·43	4 0 5
May „	4,568	4,946	8·15	4,816	8·23	4 0 4
June „	8,136	5,504	9·07	5,219	8·92	3 15 10
Total .. Or ..	66,136 66,113 at 30° Under Proof.	60,675	100·	58,494	100·	4 0 4

The entries in Column 5 do not represent the entire sales, as they are based on the shop returns received, which are reported to be incomplete. This accounts for the large balance shown in the stock account as remaining unsold with shopkeepers. There was an increase in the consumption from October to January as usual on account of the cold season and a decrease during February, March, and April consequent on large sales of Palmyra toddy in those months. The sales in January exceed those of any other month, owing to the occurrence of the Pongal festival. The variations in prices between the several months was inconsiderable, the maximum and minimum prices being Rs. 4-1-3 and Rs. 3-14-9 respectively. The small quantity of 60° under proof issued does not appear to have passed into shops.

127. The following statement shows particulars regarding consumption :—

Taluks.	Population.	Area in Square Miles.	Number of Shops opened.	Consumption as per Shopkeeper's Returns. Quantity in Gallons.	Consumption as per Shopkeeper's Returns. Amount.	Consumption per Head.	Sale per Shop in Gallons.	Square Miles per Shop.	Population per Shop.	Average Price.
					RS.					RS. A. P.
Salem	393,805	998	136	16,913	69,947	·042	124·1	7·30	2,895	4 2 2
Ahtur	164,006	798	81	4,836	18,808	·029	59·7	9·85	2,025	3 14 2
Námakal	261,009	743	88	6,158	24,357	·023	69·8	8·44	2,966	3 15 3
Trichengode	249,678	632	43	3,585	14,339	·014	83·3	14·70	5,806	4 0 0
Dharmapuri	190,626	998	87	6,138	24,517	·032	70·5	11·47	2,191	3 15 11
Krishnagiri	170,233	658	90	4,687	18,748	·027	52·0	7·31	1,891	4 0 0
Hosúr	193,037	1,169	68	4,583	18,316	·023	67·4	17·19	2,839	4 0 0
Tirupatúr	190,800	805	72	8,017	32,069	·042	111·2	11·18	2,650	4 0 0
Uttankarai	153,801	808	74	3,577	13,950	·023	48·3	10·92	2,078	3 14 5
Total ..	1,966,995	7,604	739	58,494	2,35,051	·029	79·1	10·29	2,662	4 0 4

During the year there was a further reduction in the number of shops opened, the decrease being at the rate of 15·15 per cent. as compared with the number opened in Fasli 1287 and at 53·14 in comparison with the number of Fasli 1284 under the old renting system (1,577). The decrease appears to be due not only to the cause assigned by the Collector, viz., the effects of the famine on the spirit-drinking classes, but also to the inadequacy of the remuneration allowed to shopkeepers; for the financial statement of the renters shows that outside Municipal limits 52,561 gallons were sold by them at Rs. 2,04,601, the average price per gallon was therefore Rs. 3-14-1, which was less by Annas 1-11 only than the maximum price at which the liquor can be sold; no less than 24,398 gallons or 46 per cent. of the whole quantity were sold to shopkeepers at Rs. 3-15-0 per gallon, which would leave them a profit of only one anna per gallon, if they could dispose of it all at the maximum price, but the average price of the liquor sold (exclusive of the Salem Taluk, where the rate is higher owing to the surcharge) was only Rs. 3-15-7, so that the shopkeepers were not able to secure even the small margin of profit allowed; their average remuneration amounted to no more than Annas 1-6 a gallon, which would give the shopkeepers all round only Rs. 7-6-6 per annum, affording a strong inducement to resort to irregular practices in order to earn a living. In the Municipal limits of Salem the difference between the renter's price and the maximum at which shopkeepers were allowed to sell is Annas 2. There was not much variation in prices between the several taluks, the lowest being in Uttankarai and Ahtur. The average rate of consumption is ·029 against ·03 in Fasli 1287, the rate in the several taluks remaining much the same as in the previous year. The subjoined statement shows the sales within the Municipal limits of Salem on which a surcharge was paid by the renters :—

Municipal Towns.	Gallons sold.	Amount of Surcharge.	Population.	Rate of Consumption per Head.
	GALS.	RS.		
Salem	8,113	4,056	50,012	·16

128. The renters in their financial statement return their gross receipts at Rs. 2,40,379 and charges at Rs. 2,85,034, showing a loss of Rs. 44,655. Interest at 10 per cent. is charged on the amount sunk in the distillery buildings, plant and dead stock (Rs. 28,180), the amount of floating capital employed (Rs. 34,059), and the amount of security deposited with Government (Rs. 44,500), aggregating in all Rs. 1,06,739; but only 12 per cent. will be allowed on the first (Rs. 28,180) of the three items. Under other items appears a sum of Rs. 1,283 for remission of jaggery interest which is not understood and will be excluded. The other charges are admitted and classified as follows :—

	RS.	A.	P.		RS.	A.	P.
1. Depreciation ...	3,381	0	0	5. Sundries ...	3,193	0	0
2. Cost of liquor ...	65,629	0	0	6. Duty ...	1,77,584	0	0
3. Distribution ...	12,886	0	0				
4. Establishment...	9,309	0	0	Total ...	2,71,982	0	0

Adding to the above charges the value of liquor at 20° under proof in hand at the beginning of the fasli, viz., gallons 3,441 in distillery and gallons 223 in depôts at Rs. 1-6-2 and at Rs. 4-5-9 respectively or Rs. 5,739, the total charges amount to Rs. 2,77,721. The particulars of the price charged by the renters are given below :—

	RS.	A.	P.		RS.	A.	P.
1. Depreciation ...	0	0	10	6. Duty	2	11	5
2. Cost of liquor ...	1	0	7				
3. Distribution ...	0	3	2	Total ...	4	3	0
4. Establishment ...	0	2	3	7. Renter's loss ...	0	3	8
5. Sundries	0	0	9		3	15	4

The cost of liquor in this year is still excessive as compared with Fasli 1286, but is less by Annas 4-8 than that in Fasli 1287, chiefly owing to the fall in prices of materials, but partly to the lower strength of the liquor. The stock of liquor remaining at the end of the year was gallons 2,453 in the distillery and gallons 4,929 in depôts, the value of which at Rs. 1-1-5 and Rs. 4-3-0 respectively amounts to Rs. 23,310; the total receipts thus amount to Rs. 2,63,689 (23,310+2,40,379); the total charges being Rs. 2,77,721 the deficit was Rs. 14,032; from this must be deducted interest at 4 per cent. on the fixed deposit, viz., Rs. 1,780; the net deficit to the renters will then be Rs. 12,252.

Rented Districts (Abkary).

129. As already observed the area of the Presidency in which the renting system is in force has become much contracted; the system being continued only in the Kistna, Godávari, and South Canara Districts, and parts of Vizagapatam, Kurnool, and Malabar. The following statement shows in one view the principal facts connected with the working of the system in these districts:—

Districts.	Taluks under the Amani system.	Rental.	Gross Receipts returned.	Consumption. 20° Under Proof and 30° Under Proof.	Consumption. 60° Under Proof.	Consumption. Total.	Consumption. Equivalent at 30° Under Proof.
1	2	3	4	5	6	7	8
Vizagapatam (Inland Taluks).	These taluks are not managed on the Amani system though the number of stills is restricted.	70,500	1,13,487	2,007	71,880	73,887	43,083
Godávari	None..	2,56,020	3,58,620	8	252,586	252,594	144,329
Kistna	All	1,55,400	1,91,097	23,155	73,506	96,661	65,158
Kurnool Cumbum and Márkápur Taluks.	Do.	13,540	11,173	3,158	1,940	5,098	4,267
South Canara	None	90,950	1,17,926	8,003	66,221	74,224	45,844
Malabar, excepting Wynaad.	Do.	1,05,700	1,03,742	11,601	40,109	51,710	34,520

Districts.	Resulting Duty at 30° Under Proof.	Average Price. 30° Under Proof.	Average Price. 60° Under Proof.	Consumption per Head. Actual Gallons.	Consumption per Head. Reduced to 30° Under Proof.	Number of Shops.
	9	10	11	12	13	14
	RS. A. P.	RS. A. P.	RS. A. P.			
Vizagapatam (Inland Taluks)	2 10 2	2 10 11	1 8 1	·071	·041	1,462
Godávari	2 7 9	2 12 0	1 6 9	·159	·090	1,322
Kistna	2 14 11	2 11 5	1 11 11	·067	·045	590
Kurnool Cumbum and Márkápur Taluks	2 9 11	2 5 5	1 15 2	·024	·020	213
South Canara	1 9 10	2 4 1	1 8 2	·080	·050	736
Malabar, excepting Wynaad	2 0 1	3 4 7	1 10 2	·024	·016	757

130, Vizagapatam—The inland taluks of Vizagapatam were for reasons already stated separated from the excise farm on the renewal of the leases and rented out in four farms marginally shown.

Taluks.	Rentals. RS.
1. Gajapatinagar ... ... 2. Salur ... ... 3. Bobbili	12,050
1. Parvatipur ... ... 2. Palkonda	27,050
1. Gunapur ... ... 2. Rayaghada	26,050
1. Veeravalli ... ... 2. Srungavarapukottai...	5,350
Total ...	70,500

The total quantity of liquor consumed during the year was 73,887 gallons realizing Rs. 1,13,487. Comparison cannot be made between the sales in this and previous faslis as the consumption of vippa liquor was never returned by the contractors under the former lease. Of the above quantity of 73,887 gallons consumed, the proportion of the stronger to the weaker liquor is 2·71 to 97·29 per cent., thus showing a marked contrast with the Coast Tract where the proportions of 30° and 60° under proof were 94·32 and 5·68, respectively. The above figures clearly point to the fact and confirm the Board's opinion that the taluks comprising this tract are not suited for a centralized excise system

131. The subjoined statement shows the monthly sales and the percentage of the two strengths to the totals :—

Months.	Sales. 30° Under Proof.	Sales. 60° Under Proof.	Sales. Total.	Percentage of each Strength. 30° Under Proof.	Percentage of each Strength. 60° Under Proof.	Percentage of sales Monthly.
July 1878	161	2,032	2,193	7·34	92·66	2·97
August „	159	4,090	4,249	3·74	96·26	5·75
September „	162	5,662	5,824	7·78	92·22	7·88
October „	150	5,774	5,924	2·53	97·47	8·02
November „	157	6,100	6,257	2·51	97·49	8·47
December „	201	6,832	7,033	2·84	97·16	9·52
January 1879	259	8,214	8,473	3·06	96·94	11·47
February „	171	7,005	7,176	2·38	97·62	9·71
March „	124	7,137	7,261	1·71	98·29	9·83
April „	129	6,621	6,750	1·90	98·10	9·13
May „	124	6,332	6,456	1·92	98·08	8·74
June „	210	6,081	6,291	3·34	96·66	8·51
Total ...	2,007	71,880	73,887	2·71	97·29	100·

The sales in July and August were very low; the reason has not been explained, but it is probably owing to the imperfect information furnished at the beginning of the new lease. The increase in January is, as elsewhere, due to the occurrence of the Pongul feast.

132. Particulars regarding consumption, &c., in this tract are given below :—

Taluks.	Population.	Area.	Stills.		Shops.	Consumption.	
			Fasli 1287.	Fasli 1288.		Gallons.	Amount.
1	2	3	4	5	6	7	8
Rented Arrack.							
Viravalli	161,194	522	..	1	68	1,895	4,758
Srungavarapukota	134,244	318	..	5	36	599	1,426
Gajapatinagar	107,008	276	..	14	47	2,944	4,452
Sálúr	76,324	222	40	30	138	14,141	21,259
Bobbili	137,146	333	..	15	67	2,892	4,338
Pálkonda	163,369	402	10	39	188	8,563	12,948
Párvatipur	135,201	432	197	60	300	22,284	33,452
Gunupur	63,127	2,000	286	77	360	14,683	22,025
Rayaghada	59,780	1,000	174	60	258	5,886	8,829
Total ..	1,037,398	5,505	707	801	1,462	73,887	113,487

Taluks.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
	9	10	11	12	13	14	15
Rental Arrack.						RS. A. P.	RS. A. P.
Viravalli	·012	28·0	7·68	2,370	5,350	2 8 6	2 2 4
Srungavarapukota	·004	16·6	8·83	3,729		2 6 1	
Gajapatinagar	·028	62·6	5·87	2,277	12,050	1 8 2	0 9 8
Sálúr —	·185	102·5	1·61	553		1 8 6	
Bobbili	·021	43·2	4·97	2,047		1 8 0	
Pálkonda	·052	45·5	2·14	869	27,050	1 8 2	0 14 0
Párvatipur	·165	74·3	1·44	451		1 8 0	
Gunupur	·233	115·8	5·56	175	26,050	1 8 0	1 4 3
Rayaghada	·098	22·8	3·88	232		1 8 0	
Total ..	·071	50·5	3·77	710	70,500	1 8 7	0 15 3

The consumption is high especially in Salur, Parvatipur, Gunapur, and Rayaghadu; the renter of the taluks comprising the second and third farms entered in the statement must have made a hand some profit, the rents being much below the real value.

133. Particulars of sales in the rented and Amani Taluks of Jeypore and Golconda are not available, the shopkeepers being too illiterate to keep proper accounts.

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134. Godavari.—The arrack farms of the district were rented out by Taluks for three faslis, 1288 to 1290, for an aggregate amount of Rs. 2,56,020 per annum, the rental of the previous year being Rs. 1,95,520. The quantity of liquor sold in the year was gallons 2,52,594, realizing Rs. 3,58,620, against gallons 2,94,657, realizing Rs. 3,71,899, in the previous year. The decrease in the sales is attributed to the heavy and incessant rain, cyclones, and floods during the year.

135. The subjoined statement shows the monthly sales :—

Months.	Sales.	Per-cent.	Months.	Sales.	Per-cent.
	GALLS.			GALLS.	
July	13,400	5·3	February	20,345	8·1
August	17,195	6·8	March	20,275	8·0
September	19,677	7·8	April	20,015	7·9
October	23,956	9·5	May	24,858	9·8
November...	23,533	9·4	June	21,816	8·6
December...	24,104	9·5			
January	23,420	9·3	Total ...	2,52,594	100·0

The sales were very low in the first three months as compared with the previous year but improved subsequently, and during the last four months were higher than in the preceding year.

136. The particulars of consumption are given below :—

Taluks.	Population.	Area.	Shops.	Consumption. Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
				GALLS.	RS.		GALLS.			RS.	RS. A. P.	RS. A. P.
1. Rámachandrapuram.	203,583	507	189	22,300	27,875	·110	118	2·68	1,079	25,320	1 4 0	1 2 2
2. Amalápuram	206,885	437	107	7,932	11,898	·038	74	4·08	1,933	12,025	1 8 0	1 8 3
3. Rajahmundry	128,901	2,058	121	29,154	36,442	·227	241	17·01	1,065	27,050	1 4 0	0 14 10
4. Ellore ...	136,875	729	97	36,268	45,335	·265	374	7·52	1,411	35,000	1 4 0	0 15 5
5. Yernagúdem	145,715	1,250	199	28,071	42,107	·193	141	6·28	732	22,630	1 8 0	0 12 11
6. Tanuku ..	167,491	366	153	15,065	22,598	·090	98	2·39	1,095	24,975	1 8 0	1 10 6
7. Narsápur ...	177,876	450	117	36,876	55,314	·207	315	3·85	1,520	24,020	1 8 0	0 10 5
8. Bhimavaram	92,457	416	100	20,042	30,062	·217	200	4·16	925	22,820	1 8 0	1 2 3
9. Peddápuram.	111,489	505	93	12,757	19,136	·114	137	5·48	1,199	12,070	1 8 0	0 15 2
10. Cocanada Coringa	91,860	1,010	82	36,705	58,598	·694	777	12·82	1,120	40,100	1 9 6	1 1 0
11. Pitbápuram.	79,606	505	34	5,252	6,545	·066	154	14·56	2,341	10,010	1 8 11	1 5 7
12. Tuni	50,201	...	30	2,172	2,715	·043	72	...	1,673		1 4 0	
Total ...	1,592,939	8,233	1,322	2,52,594	3,58,620	·159	191	6·23	1,205	2,56,020	1 6 9	1 0 3

The strength of the liquor consumed was entirely 60° under proof except 7·25 gallons of 30° under proof sold in Cocanada. The rate of consumption per head was ·159 against ·184 in the previous year. The consumption however increased in the taluks of Rámachandrapuram, Amalápuram, Yernagúdem, Peddápuram, and Cocanada, while the rest of the taluks show a decrease. The difference between the sale proceeds of liquor and the rental payable to Government amounted to Rs. 1,02,600 on the whole which would give an average profit of Annas 6-6 per gallon, but in Amalápuram, Tanuku, and the Pithápuram and Tuni Divisions the rental payable to Government exceeded the renters' receipts, and elsewhere the margin was too small to allow of any profit after meeting working expenses except in Yernagúdem, Narsápur, Peddapuram and Cocanada. The minimum price was generally charged except in Cocanada where slightly higher rates prevailed; in several taluks liquor was sold throughout the year at the minimum fixed under the last lease Rs. 1-4-0 a gallon, apparently in ignorance of the change of rate.

	Prices. Maximum.	Prices. Minimum.
	RS. A. P.	RS. A. P.
30° under proof	3 4 0	2 4 0
60° do.	2 8 0	1 8 0

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137. Kistna.—The taluks of this district were rented separately for an aggregate sum of Rs. 1,55,400 against a rental of Rs. 1,73,250 in the previous year, showing a decrease of Rs. 17,850. During the previous lease six taluks and one Zemindari division were managed on the Amani system, sub-renting being prohibited and the number of stills restricted. This system has now been extended to the rest of the district, but the Collector does not consider it a success as the paucity of stills, only two being allowed to each farm, stimulates illicit manufacture, and he recommends an increase in the number. The quantity of liquor sold in the year was gallons 96,661 realizing Rs. 1,91,097, or Rs. 35,697 in excess of the aggregate rental.

138. The following statement shows the monthly sales :—

Months.	Sales.		Total.	Percentage of each Strength.		Per Cent. of Sales Monthly.
	30° Under Proof.	60° Under Proof.		30° Under Proof.	60° Under Proof.	
July	1,901	6,384	8,285	23·0	77·0	8·6
August	2,305	7,786	10,091	22·8	77·2	10·4
September	2,126	9,007	11,133	19·0	81·0	11·5
October	2,120	7,434	9,554	22·2	77·8	9·9
November	1,934	6,231	8,165	23·7	76·3	8·4
December	2,131	6,045	8,176	26·1	73·9	8·5
January	2,172	6,695	8,867	24·5	75·5	9·2
February	2,101	4,554	6,655	31·6	68·4	6·9
March	1,871	4,040	5,911	31·7	68·3	6·1
April	1,653	4,162	5,815	28·4	71·6	6·0
May	1,393	4,714	6,107	22·8	77·2	6·3
June	1,448	6,454	7,902	18·3	81·7	8·2
Total ...	23,155	73,506	96,661	34·0	76·0	100·0

The above figures, however, do not include the sales of Nandigáma and Vissannapet for a portion of the year, the renters of those taluks having failed to submit accounts. The sales were highest in August and September, which is contrary to experience elsewhere; the reason is not explained. The falling off during the toddy season was not so great as in the previous year.

139. The particulars regarding consumption, average duty, and the retail price are given below :—

Taluks.	Population.	Area.	Shops.	Consumption.		Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
				Gallons.	Amount.							
		ACS.			RS.					RS.	RS. A. P.	RS. A. P.
Répalle	169,912	622	35	5,914	8,871	·035	169·0	17·8	4,855	8,200	1 8 0	1 6 2
Bápatla	143,629	694	64	9,886	14,829	·069	154·4	10·8	2,244	11,525	1 8 0	1 2 8
Guntúr	126,997	492	71	12,649	28,222	·100	178·1	6·9	1,789	16,600	2 3 9	1 5 0
Palnád	120,658	1,093	41	2,235	6,706	·019	54·5	26·6	2,943	5,100	3 0 0	2 4 6
Narsaraopet ..	120,619	674	28	2,659	8,453	·022	94·9	24·1	4,308	4,600	3 2 10	1 11 8
Gudiváda	87,138	533	52	5,291	7,936	·061	101·7	10·2	1,676	14,225	1 8 0	2 11 0
Bandar	164,525	677	72	31,964	61,434	·194	443·9	9·4	2,285	50,100	1 14 9	1 9 1
Sattenapalle ..	101,728	621	49	1,750	4,374	·017	35·7	12·7	2,076	2,600	2 8 0	1 7 9
Nandigáma ..	106,452	600	30	4,135	12,021	·009	137·8	20·0	3,548	8,025	2 14 6	1 15 0
Bezváda	83,081	389	56	9,214	20,731	·111	164·5	6·9	1,484	19,000	2 4 0	2 1 0
Vinukonda ..	64,508	557	24	773	2,233	·012	32·2	23·2	2,688	1,800	2 14 3	2 5 3
Núzvíd	107,465	526	55	8,758	13,137	·082	159·2	9·6	1,881	8,625	1 8 0	0 15 9
Vissannapet ..	55,662	305	13	1,433	2,150	·026	110·2	23·5	4,281	5,000	1 8 0	3 7 10
Total ..	1,452,374	7,783	590	*96,661	1,91,097	·067	163·8	13·2	2,462	1,55,400	1 15 8	1 9 9

* 30° under proof 23,155
60° do. 73,506

There was a falling off of 20 per cent. in the consumption for the whole district as compared with the previous year; it occurs chiefly in Répalle, Bandar, Gudiváda, Núzvíd, and Vissannapet. In Guntúr, on the other hand, the sales were double those of the preceding year. The cause of the serious fall in the sales is not satisfactorily explained; it appears to have been due, in a great measure, to failure on the part of the renters to open shops, only 15 per cent. of the sanctioned number having been opened during the year. For Vissannapet only 1,433 gallons are

returned against 15,881 in the previous year, but figures for three months are wanting: this farm was evidently mismanaged, and the renter having fallen into arrears it was taken under Government management. The statistics of the previous year, however, were not accurate, and comparison of the rates of consumption is not of much value. Comparing the average duty with the average price, the farms of Vissannapet and Gudiváda must have been worked at a heavy loss, whilst the margin of profit in Répalle, Bápatla, Sattenapalle, and Bezváda was insufficient to cover the necessary charges of management. The marginal statement gives particulars of consumption of liquor of the two strengths in the several taluks. The stronger liquor is consumed chiefly in the upland taluks. In Bandar, where liquor of both strengths was consumed in the previous year, the sales were confined to the weaker liquor. The minimum price appears to have been charged for the weaker liquor in all taluks except Bandar, Sattenapalle, and Bezváda; for the stronger liquor prices were usually the mean between the maximum and minimum rates. The average for 30° under proof was Rs. 2-11-5 and for 60° under proof Rs. 1-11-11.

Taluks.	Sales.		Total.
	30° Under Proof.	60° Under Proof.	
Répalle..	..	5,914	5,914
Bápatla	..	9,886	9,886
Guntúr	4,423	8,226	12,649
Palnád	2,235	..	2,235
Narsaraopet	2,429	230	2,659
Gudiváda	..	5,291	5,291
Bandar	..	31,964	31,964
Sattenapalle	..	1,750	1,750
Nandigáma	4,135	..	4,135
Bezváda	9,214	..	9,214
Vinukonda	719	54	773
Núzvíd	..	8,758	8,758
Vissannapet..	..	1,433	1,433
Total ..	23,155	73,506	96,661

	Maximum.	Minimum.
	RS. A. P.	RS. A. P.
30° under proof	3 4 0	2 4 0
60° do.	2 8 0	1 8 0

140. Kurnool.—The two taluks of Cumbum and Márkápur constituting the Head Assistant's division were rented out separately on the Amani system for an annual rental of Rs. 13,540. The total quantity of liquor consumed during the year was gallons 5,098 realizing Rs. 11,173 against gallons 8,181 realizing Rs. 10,255 in the previous year. The weaker liquor alone was sold in both taluks in Fasli 1287, while during the year under report the stronger predominated in Cumbum.

141. The subjoined statement shows the monthly sales and the percentage of the two strength to the totals :—

Months.	Sales.		Total.	Percentage of each Strength.		Per cent. of Sales Monthly.
	30° Under Proof.	60° Under Proof.		30° Under Proof.	60° Under Proof.	
July	31	120	151	20·5	79·5	3·0
August	116	224	340	34·1	65·9	6·7
September	69	380	449	15·4	84·6	8·8
October	108	351	459	23·5	76·5	9·0
November	372	30	402	92·5	7·5	7·9
December	356	98	454	78·4	21·6	8·9
January	382	171	553	69·1	30·9	10·8
February	347	128	475	73·1	26·9	9·3
March	339	95	434	78·1	21·9	8·5
April	324	114	438	74·0	26·0	8·6
May	331	91	422	78·4	21·6	8·3
June	383	138	521	73·5	26·5	10·2
Total ...	3,158	1,940	5,098	62·0	38·0	100·0

142, Particulars regarding consumption, &c., are given below :—

Taluks.	Population.	Area in Square Miles.	Number of Shops.	Consumption. Quantity in Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
					RS.					RS.	RS. A. P.	RS. A. P.
Cumbum	123,042	1,048	174	3,956	8,877	·032	22·7	6·0	707	9,300	2 3 11	2 4 7
Márkápur ..	92,665	1,248	39	1,142	2,296	·013	29·8	32·0	2,376	4,240	2 0 2	3 11 5
Total ..	215,707	2,296	213	5,098	11,173	·024	23·9	10·8	1,012	13,540	2 3 1	2 9 8

Taluks.	Fasli 1287. 30° Under Proof.	Fasli 1287. 60° Under Proof.	Fasli 1287. Total.	Fasli 1288. 30° Under Proof.	Fasli 1288. 60° Under Proof.	Fasli 1288. Total.
Cumbum ..	..	6,777	6,777	3,136	820	3,956
Márkápur ..	..	1,404	1,404	22	1,120	1,142

The rate per head was ·024 against ·038 in the previous year; the decrease was due to the prevalance of illicit manufacture and high prices. The average retail price per gallon of 30° under proof was Rs. 2-5-5 and of 60° under proof Rs. 1-15-2. The marginal statement shows the consumption of the two kinds of liquor as compared with the previous year.

143. South Canara.—The arrack farms were leased out talukwar for three Faslis (1288 to 1290) for an aggregate amount of Rs. 90,950, or Rs. 10,700 in excess of the rental of the previous triennial lease. The increase occurs chiefly in Kundapúr and Kásaragód. The total quantity of liquor sold was returned as gallons 74,224 realizing Rs. 1,17,926, against gallons 61,982 yielding Rs. 84,113 in the previous year. The sale proceeds exceeded the aggregate rental by Rs. 26,976. It will be observed from the following statement that the renters of Udipi, Kásaragód, Uppinangadi, and Mangalore made on an average a profit of Annas 14-9, Annas 9-8, Annas 3-2, and Anna 1 respectively; this would not suffice to cover the cost of manufacture and other charges in the last two cases, while in Kundapúr the renters' receipts did not suffice to cover even the Government dues :—

	Previous Rental.	Present Rental.
	RS.	RS.
Mangalore...	40,000	40,000
Kásaragód...	10,000	13,200
Uppinangadi	6,850	6,500
Udipi	12,700	13,150
Kundapúr	10,700	18,100
Total ...	80,250	90,950

Taluks.	Population.	Area.	Number of Shops.	Consumption. Gallons.	Consumption. Amount.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
											RS. A. P.	RS. A. P.
Mangalore	242,779	865	256	26,061	41,648	·107	101·8	3·3	948	40,000	1 9 7	1 8 7
Kásaragód	222,578	1,064	203	14,022	21,694	·063	69·1	5·2	1,096	13,200	1 8 9	0 15 1
Uppinangadi ...	107,722	1,047	43	4,936	7,479	·045	114·8	24 3	2,505	6,500	1 8 3	1 5 1
Udipi	231,570	892	138	18,045	29,781	·077	130·7	6·4	1,678	13,150	1 10 5	0 11 8
Kundapúr	113,713	525	96	11,160	17,324	·098	115·2	5·4	1,184	18,100	1 8 10	1 9 11
Total ...	918,862	4,393	736	* 74,224	117,926	·080	100·8	5·9	1,248	90,950	1 9 5	1 8 7

	RS.
* 30° Under Proof	8,003
60° do.	66,221

The rate of consumption exceeded that of the previous year by ·013, the increase occurring in Mangalore and Udipi, while in the other three taluks there was a decrease; the figures do not, however, represent the actual consumption in each taluk because the supply for one taluk is often obtained from another; this is especially the case as regards Uppinangadi.

144. The subjoined statement shows the monthly sales There was a steady increase during the year, but the sales are still below the consumption which obtained before the scarcity :—

Months.	Sales. 30° Under Proof.	Sales. 60° Under Proof.	Sales. Total.	Proportion of each Strength. 30° Under Proof.	Proportion of each Strength. 60° Under Proof.	Per cent. of Sales monthly.
July 1878... ...	627	3,894	4,521	13·9	86·1	6·1
August "	697	3,901	4,598	15·2	84·8	6·2
September "	712	4,137	4,849	14·7	85·3	6·5
October "	654	4,437	5,091	12·8	87·2	6·9
November "	657	5,143	5,800	11·3	88·7	7·8
December "	549	5,226	5,775	9·5	90·5	7·8
January 1879... ...	609	6,124	6,733	9·0	91·0	9·1
February "	623	6,073	6,696	9·3	90·7	9·0
March "	680	6,524	7,204	9·4	90·6	9·7
April "	709	6,362	7,071	10·0	90·0	9·5
May "	785	7,256	8,041	9·8	90·2	10·8
June "	701	7,144	7,845	8·9	91·1	10·6
Total ...	8,003	66,221	74,224	10·8	89·2	100·

The sales were made up of 8,003 gallons 30° under proof and 66,221 gallons 60° under proof, distributed as shown below. The stronger liquor is consumed chiefly in Mangalore and Udipi :—

Taluks.	30° Under Proof.	60° Under Proof.	Total.
Mangalore	3,409	22,652	26,061
Kásaragód	881	13,141	14,022
Uppinangadi	50	4,886	4,936
Udipi	3,616	14,429	18,045
Kundapúr	47	11,113	11,160
Total ...	8,003	66,221	74,224

	Prescribed Rates. Maximum.	Prescribed Rates. Minimum.
	RS. A. P.	RS. A. P.
30° Under Proof	3 4 0	2 4 0
60° do.	2 8 0	1 8 0

The average price of the stronger liquor was Rs. 2-4-1 and of the weaker Rs. 1-8-2, the minimum being charged throughout the year in all taluks except Kundapúr.

145. Malabar.—The renting system is in force in this district in all the Taluks excepting Wynaad, which conjointly with the Nílgiris has been let out as one farm under the excise system and has already been noticed. During the present lease the condition as to Amani management has been withdrawn, the renters being permitted to sub-rent their farms and to establish a larger number of distilleries than was allowed under the previous contract. The rental, exclusive of the Wynaad, fell from Rs. 1,07,400 under the previous lease to Rs. 1,05,700, a decrease of Rs. 1,700; but even these bids were found generally too high and many of the farms have had to be resold at a heavy loss. The sale of liquor at 20° under proof is not permitted, the only strengths allowed being 30° under proof and 60° under proof. The maximum and minimum prices are noted in the margin. The total sales for the year in actual gallons amounted to 51,710, showing a decrease of 14 per cent. as compared with sales in Fasli

	Maximum.	Minimum.
	RS. A. P.	RS. A. P.
30° Under Proof	3 4 0	2 4 0
60° Do.	2 8 0	1 8 0

1287; in gallons reduced to 30° under proof the decrease is still greater, amounting to as much as 50 per cent. The following statement shows the distribution of the different strengths of the liquor sold during the last four faslis:—

—	20° Under Proof.	30° Under Proof.	60° Under Proof.	Total.
	RS.	RS.	RS.	RS.
Fasli 1285	8,523	18,230	63,353	90,106
Do. 1286	9,132	13,083	58,589	80,804
Do. 1287	9,972	10,184	39,953	60,109
Do. 1288	...	11,601	40,109	51,710

The falling off in the sales has been rapid and points, if the figures can be trusted, to the conclusion that illicit practices are becoming more and more rife. Doubtless the scarcity and high prices in Faslis 1286 and 1287 to a certain extent checked the consumption, but the continued decrease in Fasli 1288 cannot be accounted for in this manner. The present system under which the arrack and toddy farms are leased separately is strongly condemned by the district officers as quite unsuited to the West Coast where toddy abounds, and the arrack renter is at the mercy of the toddy contractor in the matter of obtaining supplies of toddy for manufacture of arrack and the prevention of illicit distillation by the toddy shopkeepers. The arrack renter is therefore driven to work his farm in collusion with the toddy renter, and illicit manufacture is probably connived at and the arrack shopkeeper's returns doubtless do not exhibit by any means all the arrack consumed in the district.

146. The following statement shows the particulars of consumption in the several taluks.

Taluks.	Population.	Area.	Shops.	Consumption. 30° Under Proof.	Consumption. 60° Under Proof.	Consumption. Total.	Consumption. Amount.
1	2	3	4	5	6	7	8
							RS.
Chirakal and Cannanore Cantonment in Chirakal Taluk	257,377	676	135	2,182	2,425	4,607	10,378
Kóttayam	148,561	460	32	501	2,942	3,443	7,640
Kurumbranád	243,751	527	119	2	5,818	5,820	8,412
Calicut	189,768	360	60	6,594	5,837	12,431	31,433
Ernád	287,936	997	42	591	4,978	5,569	9,821
Walawanád	292,482	932	123	..	4,475	4,475	8,950
Pálghat	325,855	681	174	1,460	6,763	8,223	14,310
Ponáni	374,756	450	50	271	1,853	2,124	3,389
Cochin	19,826	3	22	..	5,018	5,018	9,409
Total ..	2,135,312	5,086	757	11,601	40,109	51,710	1,03,742

Taluks.	Consumption per Head.	Sales per Shop.	Square Miles per Shop.	Population per Shop.	Rental.	Average Price.	Average Duty.
	9	10	11	12	13	14	15
					RS.	RS. A. P.	RS. A. P.
Chirakal and Cannanore Cantonment in Chirakal Taluk	·018	34·1	5·0	1,907	10,700	2 4 0	2 5 1
Kóttayam	·024	107·6	14·4	4,549	7,000	2 3 7	2 0 6
Kurumbranád	·024	48·9	4·4	2,048	7,100	1 5 9	1 3 6
Calicut	·066	207·2	6·0	3,163	40,600	2 8 6	3 4 3
Ernád	·019	142·1	23·7	6,856	9,400	1 12 3	1 11 0
Walawanád	·015	36·4	7·6	2,378	7,900	2 0 0	1 12 3
Pálghat	·025	47·2	3·9	1,867	12,500	1 11 10	1 8 4
Ponáni	·006	42·5	9·0	7,495	4,300	1 9 8	2 0 6
Cochin	·255	228·1	0·1	901	6,200	1 14 0	1 3 9
Total ..	·024	67·9	6·6	2,814	1,05,700	1 13 2	1 13 7

The average consumption for the district excepting Wynaad is ·024 gallon per head against ·028 gallon in Fasli 1287. The decrease occurs chiefly in the taluks of Chirakal, Kurumbranád,

Calicut, Walawanád, Ponáni, and Cochin. The stronger liquor appears to have been sold almost exclusively at the maximum price in the Cannanore Cantonment, Kóttayam, Calicut, and Pálghat Taluks, and at Rs. 3 per gallon in Chirakal and Ernád. The weaker liquor was sold generally at the minimum price excepting in the Cannanore Cantonment, and the Kóttayam, Calicut, Ernád and Walawanád Taluks. The sale proceeds of liquor are returned as Rs. 1,03,742, or Rs. 1,958 less than the rental. The loss appears in the taluks of Chirakal, Calicut, and Ponáni, that of the Calicut renter being the heaviest; in no taluk except Cochin was the margin between duty and price sufficient to cover expenses:—

147. The monthly sales of liquor are shown in the subjoined statement:—

Months.	Sales. 30° Under Proof.	Sales. 60° Under Proof.	Sales. Total.	Percentage of each Strength. 30° Under Proof.	Percentage of each Strength. 60° Under Proof.	Percentage of Sales monthly.
	RS.	RS.	RS.			
July 1878 ...	836	2,119	2,955	28	72	5·7
August " ...	814	2,615	3,429	24	76	6·6
September " ...	1,149	3,108	4,257	27	73	8·2
October " ...	1,273	3,040	4,313	30	70	8·3
November " ...	1,118	2,948	4,066	27	73	7·9
December " ...	1,080	3,767	4,847	22	78	9·4
January 1879 ...	1,037	3,367	4,404	24	76	8·5
February " ...	865	3,442	4,307	20	80	8·3
March " ...	849	4,144	4,993	17	83	9·7
April " ...	897	3,760	4,657	19	81	9·0
May " ...	840	3,861	4,701	18	82	9·1
June " ...	843	3,938	4,781	18	82	9·3
Total ...	11,601	40,109	51,710	22	78	100·0

AMANI MANAGEMENT—(*Arrack and toddy.*)

148. MADRAS.—The Abkári of the Town of Madras is managed entirely by Government officers. There is a special Abkári law, viz., Act XIX of 1852, under which the town is worked. The area to which it applies is defined as extending eight miles beyond the limits of the High Court's original jurisdiction. The tract outside these limits which bound the town proper is known as the "outside limits" and that within them as the "inside limits." The area and pulation of each are as follow:—

	Area in Square Miles.	Population.
Inside limits	27	397,552
Outside do.	207	127,549
Total ...	234	525,101

There is no material difference as regards the toddy administration between the two tracts. As regards arrack, the outside limits were newly included in the Chingleput farm and leased to Mr. Pritchard from the commencement of the current contract with the exception of four shops in the marginally-noted villages on the border, which are treated as "inside shops" and retained under the management of the Collector of Madras. Two kinds of liquor are sold within the "inside limits," Colombo and Puttai arrack; the latter alone is sold in the four shops situated in the outside limits. The contract for the supply of Colombo arrack continued during the fasli in the hands of Saravanamuthu Pillai, the contract price being Rs. 1-8-0 per gallon. Thavasamuthu Nadan, the former renter, obtained a renewal for three years of his contract for the supply of Puttai arrack on the same terms as before, the contract rate being 10 annas a gallon. Particulars regarding price, duty, &c., during the year under report are given in the marginal statement.

1, Trivatore.
1, Kalatipett.
1, Amanjikarai.
1, Saidápet.

—	Colombo Arrack.	Puttai Arrack.
	RS. A. P.	RS. A. P.
Prime cost to Government	1 8 0	0 10 0
Government selling price	4 13 0	3 13 0
Excise duty	3 5 0	3 3 0
Shopkeepers' minimum selling price	5 4 0	4 4 0
Shopkeepers' profit	0 7 0	0 7 0

149. The daily dowles at the beginning and end of the year are compared below with those of Fasli 1287 :—

—	Fasli 1287.		Fasli 1288.	
	July 1877.	June 1878.	July 1878.	June 1879.
	GALS.	GALS.	GALS.	GALS.
Colombo	258·30	258·30	263·30	242·0
Puttai ... Inside	176 42	177·30	182·30	160·30
Puttai ... Outside	80·0	...		

150. The following statement shows the quarterly sales during the year in comparison with those of Fasli 1287 :—

—	Colombo.		Puttai, Inside.		Puttai, Outside.	
	Fasli 1287.	Fasli 1288.	Fasli 1287.	Fasli 1288.	Fasli 1287.	Fasli 1288.
	GALS.	GALS.	GALS.	GALS.	GALS.	GALS.
July to September	27,012	21,224	20,184	13,582	3,961	869
October to December	33,749	24,259	23,448	15,054	5,884	924
January to March	23,809	21,883	16,039	13,724	5,014	882
April to June	20,620	22,518	13,519	13,707	3,499	915
Total ...	105,190	89,884	73,135	56,067	18,358	3,590

In the "inside limits" there was a decrease of 15,307 gallons in the sales of Colombo and of 17,069 in those of Puttai arrack as compared with Fasli 1287. This large decrease was due to the prevalence of high prices of food-grains and to the dullness of the grain trade. The dowles of the Puttai and Colombo arrack shops amounted to 62,208 and 93,176 gallons, respectively; of this quantity gallons 2,551 of Puttai and 3,292 of Colombo were not issued to shopkeepers, while gallons 1,308 and 1,555, respectively, were surrendered by them after issue owing to absence of demand. The number of shops open during the year remained the same as in the previous fasli.

151. The following statement shows particulars of consumption, &c., of arrack in the town according to the Municipal divisions :—

Divisions.	Population.	Area.	Shops.			Sales.			Consumption per Head.			Sale per Shop.		Square Miles per Shop.	Population per Shop.
			Colombo.	Puttai.	Total.	Colombo.	Puttai.	Total.	Colombo.	Puttai.	Total.	Colombo.	Puttai.		
	NO.	ACS.				GALS.	GALS.	GALLS.							
1st Municipal Division ...	65,547	5·3	3	8	11	6,892	8,318	15,210	·105	·127	·232	2,297	1,040	·48	5,959
2nd do. do. ...	75,326	·7	10	6	16	25,020	11,561	36,581	·332	·153	·486	2,502	1,927	·04	4,708
3rd do. do. ...	50,957	·7	12	5	17	20,417	8,585	29,002	·401	·168	·569	1,701	1,717	·04	2,997
4th do. do. ...	9,791	3·9	1	2	3	1,383	2,005	3,388	·141	·205	·346	1,383	1,002	1·30	3,264
5th do. do. ...	65,491	2·8	11	11	22	17,794	11,222	29,016	·272	·171	·443	1,618	1,020	·13	2,977
6th do. do. ...	19,390	5·4	...	2	2	...	2,011	2,011	...	·104	·104	...	1,005	2·70	9,695
7th do. do. ...	69,568	1·5	9	11	20	14,750	8,623	23,373	·212	·124	·336	1,639	784	·07	3,478
8th do. do. ...	41,482	6·5	2	8	10	3,627	3,742	7,369	·087	·090	·177	1,813	468	·65	4,148
Total ...	397,552	26·8	48	53	101	89,883	56,067	145,950	·226	·141	·367	1,873	1,058	·27	3,936
Outside limit ...	10,583	5·6	...	4	4	...	3,590	3,590	...	·339	·339	...	897	1·40	2,646
Grand Total ...	408,135	32·4	48	57	105	89,883	59,657	149,540	·220	·146	·366	1,873	1,047	·31	3,887

The sales of both descriptions of liquor were lower than in the preceding year in every division. The rate of consumption of Colombo arrack was as usual highest in the 2nd and 3rd Divisions (comprising Black Town), being about 51 per cent. of the whole. The sales of Puttai arrack were highest in the 2nd and 5th Divisions. The total sales of both kinds of liquor in the 5th and 7th Divisions, which contain a large native population inhabiting Choolay, Parsawak, Chintadripet, and Triplicane, amounted to 36 per cent. of the whole. The sales in the outside limits cannot be compared with those of the previous fasli owing to the transfer of the bulk of the shops to Chingleput.

152. The number of cocoanut toddy-shops both within and without municipal limits during the year were the same as in the previous fasli, but that of palmyra shops slightly decreased, being 130 against 132. During the year the dowle of the third-class toddy-shops was raised from Rs. 1-8-0 to Rs. 1-10-0 per diem; the number of trees to each class of shops was proportionately and equitably distributed; the charge on extra trees was enhanced so as to make the rate uniform with that of registered trees, and the classification of some of the shops was also revised. The classes as they now stand are exhibited in the following abstract :—

Class.	Number of Shops in the Inside Limits.		Number of Shops in the Outside Limits.		Number of Trees now allowed to each Class.	Daily Dowle of each Shop.	Number of Temporary Palmyra Shops.
	Fasli 1287.	Fasli 1288.	Fasli 1287.	Fasli 1288.			
						RS. A. P.	
1 ...	55	56	3	3	312	3 4 0	...
2 ...	47	61	...	...	240	2 8 0	...
3 ...	198	183	36	32	156	1 10 0	54
4 ...	...	...	108	112	96	1 0 0	76
	300	300	147	147	...	...	130

—	Price per Madras Measure.	
	Fasli 1287.	Fasli 1288.
	RS. A. P.	RS. A. P.
Cocoanut toddy within municipal limits	0 8 0	0 2 0
Cocoanut toddy, outside limits ...	0 1 6	0 1 0
Palmyra toddy	0 1 0	0 0 9

153. The marginal statement shows the prices at which toddy was sold during the fasli under report.

154. The total Abkári receipts and charges during the year and the net revenue are given below :—

Receipts.		Charges.	
	RS.		RS.
Colombo	4,33,001	Colombo	1,45,037
Puttai ... {Inside ... ... / Outside ... ...}	2,27,916	Puttai ... {Inside ... ... / Outside ... ...}	35,952
Toddy	3,28,347	Miscellaneous...	1,397
License Fees	4,989	Saderward	118
Miscellaneous...	* 1,774	Establishment	22,392
Total ...	9,96,027	Total ...	2,04,896
Net Revenue ...	7,91,131		

* Includes Rs. 964 profits from Amani management.

The actual receipts of Fasli 1288 amounted to Rs. 9,96,027 against Rs. 12,14,273 in the previous year, showing a decrease of Rs. 2,18,246; the decrease occurs under every item of receipt. The cause, however, of the large decrease under "License Fees" is nominal, Rs. 4,778,

which properly belong to Fasli 1288, having been collected and brought to account in Fasli 1287; the actual decrease was Rs. 55 only. The receipts under Miscellaneous in Fasli 1287 were swelled by the inclusion of a large sum, viz., Rs. 9,392, derived from sales in the outside godowns taken under Government management. Hence the decrease under this head. The total charges were Rs. 2,04,896, or Rs. 48,494 less than in the previous year. The decrease in charges on account of Colombo and Puttai arrack was due to diminished sales, while that on account of Establishment was caused by the discontinuance of famine batta paid for some months of the previous fasli.

155. The total demand of the year including arrears was Rs. 10,30,489; deducting collections, Rs. 9,96,027, the balance at the close of the fasli was Rs. 34,462, of which Rs. 14,559 have since been collected, and the collection of Rs. 16,890 was deferred pending further orders in regard to the grant of remissions. Rs. 2,827 have to be adjusted in the accounts from deposits, leaving a small balance of Rs. 186 to be recovered.

156. The offences detected and punished under the stipulation of licenses are shown below :—

Nature of Offences.	Number of Cases.	Fines imposed.
		RS. A. P.
Adulteration	10	228 0 0
Selling below the fixed price	6	170 0 0
Using unstamped trees	43	549 9 3
Keeping or conveying liquor without permit	3	9 0 0
Total ...	62	956 9 3

TODDY.

157. There was a considerable increase of revenue resulting from the resale of toddy farms on the expiration of the last lease, it occurs chiefly in the Districts of Godávari, Kistna, South Arcot, Tanjore, Trichinopoly, Tinnevelly, and Malabar; in Bellary, Kurnool, and North Arcot Districts, which were seriously affected by the famine, there was a large falling off. The net result was increase of Rs. 2,05,304. The rents, however, proved too high; the effects of the famine on consumption having been under-estimated consequently a large proportion of the farms had to be resold in this and the ensuing fasli. Notwithstanding repeated efforts it has not been found possible to obtain any satisfactory information regarding the internal working of the toddy farms, as the toddy drawers and vendors are a more ignorant and illiterate class of men than the retailers of arrack. It is hoped that in course of time there may be some improvement in this respect, but it will probably be long before complete information is obtainable. Such fragmentary particulars as the Board have been furnished with are set out below, but the figures are evidently not very trustworthy. In almost all cases the working of the farms is stated to have resulted in heavy losses to the contractors. The following statement shows the rental of toddy farms in each district under the present lease and the loss by resale during the Fasli under review :—

Districts.	Original Rent in Fasli 1288.	Loss or Gain by Resale in Fasli 1288.	Districts.	Original Rent in Fasli 1288.	Loss or Gain by Resale in Fasli 1288.
	RS.	RS.		RS.	RS.
Ganjam	12,737	...	Tanjore	3,80,000	...
Vizagapatam	40,565	...	Trichinopoly... ...	70,100	— 3,325
Godávari	1,71,510	...	Madura	61,950	...
Kistna	77,180	...	Tinnevelly	70,900	...
Nellore	15,818	...	Coimbatore	1,09,500	— 5,000
Cuddapah	20,003	— 450	Salem	1,25,000	...
Bellary	2,68,500	— 68,735	South Canara ...	60,175	...
Kurnool	88,032	— 36,425	Malabar	1,42,200	...
Chingleput	1,39,100	...			
North Arcot	94,950	+ 6,245			
South Arcot	1,85,495	...	Total ...	21,33,715	—1,07,510

158. *Ganjam.*—The toddy farms were rented out for three years for an annual sum of Rs. 12,737, or Rs. 2,771 more than the previous rent. None of the farms appear to have been sub-rented,

but the shopkeepers entered into engagements with the renters to pay a fixed sum for the privilege of drawing toddy from certain specified tracts assigned to them. The number of shops, excepting in two Zemindaris for which returns have not been received, is stated to have amounted to 419. The quantity sold in these shops is given as 20,138 gallons and the sale proceeds Rs. 3,347, so that the price of each gallon was 2 annas 7 pies. The financial return furnished is so incomplete and untrustworthy that no deductions can be drawn from it.

159. VIZAGAPATAM.—The toddy farms of the ordinary taluks, excepting Sálúr and Párvatipur, were leased out for an annual sum of Rs. 39,885, or 3,237 in excess of the previous rent; the two taluks above mentioned were, owing to the absence of bidders, retained under Amani management. The number of shops opened in the rented taluks amounted to 565 out of 846 sanctioned. The distribution in each taluk, as well as the rental, is shown in the subjoined statement :—

Taluks.	Number of Shops sub-rented.	Number of Shops under Amani.	Number of Shops under Dowle.	Number of Shops rented separately.	Number of Shops sanctioned not opened.	Total Shops sanctioned at the end of the year.	Toddy Rental.
							RS.
1. Vizagapatam	..	..	..	83	14	97	13,000
2. Golgonda	..	..	..	22	26	48	325
3. Sarvasiddhi	..	..	..	57	18	75	1,350
4. Anakápalle	*27	..	..	16	33	76	2,200
5. Bimlipatam	..	17	..	16	26	59	3,300
6. Vizianagram	..	4	..	12	32	48	6,150
7. Chípurupalli	3	3	..	62	72	140	4,810
8. Gajapatinagar	..	5	39	..	6	50	1,650
9. Bobilli	†62	..	..	..	..	62	1,500
10. Pálkonda	79	..	..	..	41	120	3,450
11. Viravalli	..	..	..	42	10	52	1,200
12. Srungavarapukota	..	..	..	16	3	19	950
Total ..	171	29	39	326	281	846	39,885

* Includes five shops not actually opened—
† Do. nine do. do.

Statistics of consumption of liquor have not been submitted. The renter's financial statement shows the receipts to have amounted to Rs. 45,481 and the charges to Rs. 47,645, so that there was a loss of Rs. 2,164, but the Collector does not consider the renter's figures reliable.

No statistics are available regarding the working of toddy farms in the Hill Tracts.

160. GODAVARI.—The toddy farms were rented out by Taluks for three faslis, 1288 to 1290, for an aggregate amount of Rs. 1,71,520 per annum. The renter of the Peddápuram Taluk having fallen into arrears, his farm was resold at a loss of Rs. 5,270 from Fasli 1289.

The following statement exhibits the distribution of sanctioned shops under Amani, Dowles, and Sub-rents :—

Taluks.	Number of Shops sanctioned.	SHOPS UNDER RENTERS.				SHOPS UNDER SUB-RENTERS.			Total number of Shops opened.	Total number of Shops not opened.
		Number under Amani.	Number under Dowle.	Number rented separately.	Number Sub-rented.	Number under Amani.	Number under Dowle.	Number not opened.		
Narsápur	250	3	..	..	178	51	..	127	54	196
Tanuku	276	..	..	..	243	158	..	85	158	118
Pithápuram and Tuni Divisions	284	..	..	..	140	54	..	86	54	230
Yernagúdem	250	1	..	..	131	110	..	21	111	139
Peddápuram	252	2	..	11	61	40	..	21	53	199
Ellore	373	78	..	..	175	110	..	65	188	185
Rajahmundry	277	42	..	58	19	12	..	7	112	165
Rámachandrapuram	296	..	..	..	59	59	..	..	59	237
Bhimavaram	149	..	..	..	119	53	..	66	53	96
Cocanada Division	267	67	..	..	95	39	..	56	106	161
Amalápuram	240	1	..	..	196	140	..	56	141	99
Total ..	2,914	194	..	69	1,416	826	..	590	1,089	1,825

Except in Ellore, Rajahmundry and Cocanada very few shops were retained under the renters' own management. A very large proportion of the sanctioned shops, viz., 42 per cent.,

remained unopened owing to the unfavorable character of the season. In Peddápuram and Rámachandrapuram the number of unopened shops is especially large.

161. The monthly sales are given below :—

Months.	Number of Gallons sold.	Total Sale-proceeds.	Average Price.
		RS.	AS. P.
July 1878	4,923	615	2 0
August ,, ...	9,597	1,200	2 0
September ,, ...	14,897	1,862	2 0
October ,, ...	19,311	2,414	2 0
November ,, ...	26,882	3,360	2 0
December ,, ...	36,667	4,583	2 0
January 1879	68,610	8,576	2 0
February ,, ...	106,057	13,257	2 0
March ,, ...	149,676	18,710	2 0
April ,, ...	175,822	21,978	2 0
May ,, ...	160,400	20,050	2 0
June ,, ...	146,682	18,335	2 0
Total ...	919,524	1,14,940	2 0

The large increase in sales from February is due to the toddy season In the earlier months the consumption is probably much understated as it is not likely that the difference is so considerable between the sales of June and July. The fact that the average prices were uniform throughout the year, viz., 2 annas per gallon, the minimum price allowed, also throws suspicion on the returns. The rate of consumption per head was ·58 gallons and the average revenue per head Annas 1-9.

162. From the financial statement furnished by the renters, it appears that, except in Tanuku and Amalápuram, they suffered more or less loss by the bargain, but these statements cannot be accepted as reliable. In Narsápur the receipts were all absorbed by the rental paid to Government, in Rámachandrapuram they amounted to less than half the rental, in Bhímavaram they came to 69 per cent, and in Cocanada to 91 per cent. The great differences in the cost of toddy as compared with receipts from sales in Amani shops in the several farms are suspicious; for instance, in Narsápur the cost of toddy amounted to Rs. 1,027-8-0, while the sales in Amani shops realized only Rs. 1,318-10-0. In Rajahmundry, on the other hand, the cost of toddy was only 70 per cent. of the receipts, in Ellore about 50 per cent., and in Cocanada only a third.

163. KISTNA.—All the taluks were rented separately for three years for an aggregate amount of Rs. 77,180, showing an increase of Rs. 14,260 as compared with the rental of the previous year Rs. 64,370.

The following statement exhibits the distribution of sanctioned shops :—

Taluks.	Number of Shops sanctioned.	SHOPS UNDER RENTERS.					SHOPS UNDER SUB-RENTERS.			Total Number of Shops opened.	Total Number of Shops not opened.
		Number under Amani.	Number under Dowle.	Number rented separately.	Number not opened.	Number sub-rented.	Number under Amani.	Number under Dowle.	Number not opened.		
Répalle	639	2	...	...	80	557	390	...	167	392	247
Bápatla	233	10	...	...	69	154	108	...	46	118	115
Guntúr	186	9	...	...	35	142	85	...	57	94	92
Gudiváda	370	191	...	...	99	80	60	...	20	251	119
Palnád	247	...	...	...	117	130	85	...	45	85	162
Narsaraopet	173	3	...	...	77	93	19	...	74	22	151
Bandar	788	30	...	6	367	385	385	...	...	421	367
Sattenapalle	196	2	...	...	94	100	43	...	57	45	151
Nandigáma	81	6	...	...	22	53	45	...	8	51	30
Bezváda	220	110	...	2	90	18	11	...	7	123	97
Vinukonda	102	2	...	2	45	53	14	...	39	18	84
Núzvid	481	9	...	...	...	472	380	...	92	389	92
Vissannapet	268	...	...	92	...	176	176	...	...	268	...
Total ...	3,984	374	...	102	1,095	2,413	1,801	...	612	2,277	1,707

No less than 43 per cent. of the total number of sanctioned shops were not opened, and of those actually sublet by renters 25 per cent. remained unutilized. Only a small proportion of the shops was retained under the direct management of the renters, the majority being subrented. The Dowle system, under which the sale of a specified quantity of liquor is stipulated for, was not in force anywhere.

164. The monthly sales are given below :—

Months.	Number of Gallons sold.	Total Sale-proceeds.	Average Price.		
		RS.	RS.	A.	P.
July 1878	5,191	738	0	2	3
August „	4,948	699	0	2	4
September „	5,412	793	0	2	4
October „	6,812	976	0	2	3
November „	7,741	1,103	0	2	3
December „	17,559	2,471	0	2	3
January 1879	30,751	4,363	0	2	2
February „	81,995	11,142	0	2	2
March „	1,74,170	23,874	0	2	2
April „	1,99,611	26,858	0	2	2
May „	1,61,282	21,559	0	2	2
June „	49,140	6,570	0	2	2
Total ...	744,612	1,01,146	0	2	2

The sales during the earliar part of the year are probably much under stated ; the improvement from February to June is due to the toddy season during which there was a slight reduction of price. The average consumption per head was ·51 gallons ; the revenue per head being 10 pies.

165. The information regarding the financial results of the renters' operations is verymeagre, only one statement being furnished for all taluks instead of a separate one for each farm. It exhibits a net profit throughout the district of Rs. 2,825 only, which cannot be accepted as correct; thereturns of six renters show a loss, but the Collector considers that except in Zemindari divisions, where the renters are subject to the interference and exactions of the Zemindars, no loss was sustained ; the loss was heaviest in Bandar, where the proportion of unopened shops was highest.

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166. NELLORE.—The toddy farms of this district were sold by taluks for an annual sum of Rs. 15,818, or Rs. 2,152 less than the previous rent. The number of shops opened was 416 out of a total number of 854 sanctioned. The distribution of the shops in each taluk and the rental are shown in the subjoined statement :—

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