A

REPORT

ON THE

SYSTEMS OF ABKARI ADMINISTRATION

WITH RESPECT TO THE

TAXATION OF COUNTRY LIQUOR

IN

THE PRESIDENCIES OF BOMBAY AND MADRAS,

1888.

FROM C. E. BUCKLAND, ESQ., C.S.,

TO THE SECRETARY TO THE GOVERNMENT OF BENGAL,
IN THE FINANCIAL DEPARTMENT.

Dated Calcutta, the 4th August 1888.

SIR,

BY Mr. Shirres' letter No. 1448, dated the 29th March 1888, I was informed that His Honor the Lieutenant-Governor of Bengal had been pleased, with the sanction of the Government of India, to depute me "to study the system of Excise Revenue in the Presidencies of Madras and Bombay, with a view to the introduction into Bengal of any improvements which a study of the subject" might suggest, and I was directed to proceed with the enquiry at once. By a subsequent communication, it was intimated to me that His Excellency the Viceroy and Governor-General in Council was inclined to think that the enquiries to be made might be completed in about two months.

2. **Course of Tour.**—In accordance with these instructions, I left Calcutta for Bombay on the 3rd of April, and inspected *en route* the Patna sudder distillery, which has been managed with considerable success during the last two years. From Bombay I went to Mahableshwar, where the Government and Heads of Departments, including Mr. J. G. Moore, C.S., the Commissioner of Abkari, were then residing. I next proceeded to Kurrachi to consult Mr. C. B. Pritchard, C.S., C.S.I., now Commissioner in Sind, who was for many years Commissioner of Abkari under the Bombay Government. The knowledge thus gained of other systems of Abkari administration facilitated

my enquiries in the Madras Presidency. I met Mr. C. A. Galton, c.s., Officiating Member of the Board of Revenue in charge of Abkari, at Madras, and held constant and prolonged conferences with him until I had become fully acquainted with the systems of Abkari in force in the Madras Presidency. I also visited with him a private distillery at Ranipet in the North Arcot district. I returned to Bengal by railway, so as to be able to discuss further certain matters with the Bombay Abkari Department at Poona, and to see a central distillery at Mundhwa near that place. Notwithstanding every effort on my part, I found it impossible to complete my investigations within the time estimated by the Government of India. My movements were much hampered by ill-health, arising from constant changes of climate and the necessity of performing my special duty quickly at the hottest season of the year.

I desire to express my cordial acknowledgments of the courteous and friendly reception accorded to me by all the officers with whom I came in contact in the Presidencies of Madras and Bombay, and to thank them for all the material assistance in furnishing information, reports, and papers, which they afforded me.

3. **Plan of Report.**—Having thus sketched in outline the course of my movements on tour, it now devolves upon me to record the results of my enquiries, and to offer some observations and conclusions for the consideration of the Government of Bengal. In studying the "system of Excise revenue" in the Presidencies of Bombay and Madras, I have borne in mind your letter to the Secretaries to those Local Governments (a copy of which was furnished to me) in which it was stated that I had been deputed to "examine the system of Excise on country spirits." I have therefore not enquired specially into such heads of Excise (Abkari) revenue as foreign liquor, intoxicating drugs, or Excise (Abkari) opium. I have on the other hand found it necessary to investigate the system of taxing raw toddy (from which source a material proportion of the Abkari revenue is derived in Madras and Bombay), although raw toddy cannot be regarded as country spirit. In short I have considered the spirit of my instructions to include the whole field covered by the title prefixed to this report, and to be conterminous therewith. "Country liquor" includes toddy, fermented and unfermented, though un-distilled, as well as toddy spirit and other country spirits. I shall endeavour to confine my report within the briefest limits possible consistent with lucidity; but in explaining the "systems of Excise revenue" in force, *i.e.*, the systems under which Abkari revenue is raised from country liquor in Bombay and Madras to the Government of Bengal, it will be necessary to furnish details at greater length than would be required in writing about a system already known and in operation under their orders. I shall have occasion sometimes to repeat statements, descriptions or allusions, for the sake of emphasis or facility of reference. I do not propose to give any statistics of "consumption per head" of the population, as the figures on which such a calculation is based cannot be depended upon. Statements requiring the exhibition of large numbers of figures will be for the most part placed in Appendices, as well as some notes of an intricate character. Maps have been inserted for the purpose of showing by different colours the geographical extent of the various systems in force in the Presidencies of Madras and Bombay. I do not think it necessary to acknowledge in each case the extracts of paragraphs, sentences, expressions and figures which I shall have occasion to quote from the annual reports and papers placed at my disposal.

BOMBAY.

4. **Preliminary Remarks.**—I will proceed to describe first the Abkari administration of the Bombay Presidency, which I first visited. A few preliminary remarks are, however, desirable to clear up some points which may constantly recur. An initial difficulty, in the consideration of different systems of levying Abkari revenue, arises from the variations in the nomenclature or the use of common words. For instance, the word "Abkari" has been adopted throughout this report (except when references are made to Bengal Excise systems) as the most comprehensive term for the manufacture of intoxicating liquors: it is the expression used in the Bombay and Madras laws relating to

the subject of my enquiry, whereas the term "Excise," though most familiar in Bengal, does not properly connote, especially in Madras, all that it is required to indicate in one word. Again, in Bengal, the expressions "farming system" and "farmer" are regarded with some aversion, because the farmers known to the Excise history of this province constitute the class of persons who more than 50 years ago were for a time granted an unrestricted monopoly of the supply of country liquor to the serious injury of the revenue. The "Farm of Duties" is still legal in Bengal under Sections 20 to 25 of the Bengal Excise Act, 1878, which have been gradually developed from Section 19 of Regulation X of 1813. So also is the farming of the fees leviable on the retail sale of Excise opium and intoxicating drugs under the Opium Act, 1878. But no use is made of these provisions of the law, and the expressions abovementioned are unknown in practice. At the same time it may be remarked that, according to the usage of the other Presidencies, a licensed outstill-holder in Bengal might be called a farmer because he is the legal grantee of certain rights or privileges. In Bombay, on the other hand, the word farm or farmer rarely occurs (Sections 23, 28, 29, 34) in the Bombay Abkari Act, V of 1878, but a farmer is mentioned *passim* throughout the official reports and correspondence, meaning no more than the licensee, lease holder, contractor, or renter from the Government of a certain group of rights surrounded by restrictions. Again, the outstills in Bombay, where they survive, are some of a primitive, some of a modified character, as will be further explained in due course. It is necessary, therefore, in using familiar terms, to examine their meanings in the different Presidencies. The 'brab' tree in Bombay is the palmyra palm, known in Bengal as the "*tál-gachh.*" It should also be noticed that the Abkari year in Bombay commences on the 1st August, and terminates on the following 31st July; the figures and reports are compiled accordingly. It is so arranged to correspond with the revenue year of the Presidency, which in its turn is fixed to suit the convenience of the people in respect of their crops.

5. **Statistics of the Abkari Revenue.**—The latest figures available in the Bombay Presidency (exclusive of Sind and Aden) to show the development of the Abkari Revenue other than from Abkari Opium in recent years are reproduced in the following table:—

Head of Revenue.	Annual average of five years ending 1876-77.	Annual average of five years ending 1881-82.	Realizations for 1882-83.	Realizations for 1883-84.	Realizations for 1884-85.	Realizations for 1885-86.	Realizations for 1886-87.	Estimated realizations for 1887-88.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Imported Foreign Liquor	11,125	27,004	35,938	36,030	83,090	84,836	93,759	90,465
Country Liquor	31,63,356	39,02,015	54,44,841	58,67,959	64,38,803	68,99,227	71,19,625	74,99,000
Intoxicating Drugs	54,612	51,304	81,162	94,337	1,04,296	1,08,457	1,10,325	1,17,235
Miscellaneous	17,131	45,537	66,601	75,565	97,622	1,03,819	1,01,263	1,11,000
Total ...	32,46,224	40,25,860	56,28,542	60,73,891	67,23,811	71,96,339	74,24,972	78,17,700

This statement shows that the Country Liquor traffic forms by far the most important subject of the Abkari administration of the Presidency. Imported Foreign Liquor pays on importation the Customs duty prescribed by the Tariff Act, which is credited as Imperial revenue: only the license fees levied for its retail sale at shops and for the sale of country spirits subjected to duty at the Customs Tariff rates are regarded as Abkari revenue. These country spirits are the Shahjehanpore, Aska and Mundhwa Rums consumed in the Presidency, besides certain spirits of wine and methylated spirits of Indian manufacture. It may also be mentioned that, in the case of Intoxicating Drugs, no duty is levied: the realizations represent the proceeds of the annual auctions of the farms for the privilege of manufacturing and retailing the drugs, with certain fees for permits, *i.e.*, passes granted for their import, export, and transport. The principal items included under the head Miscellaneous are the contributions by Abkari farmers towards the cost of Government establishments, proceeds of fines, and confiscations, and sundry other receipts. Excise Opium, which produces about $11\frac{1}{2}$ lakhs of revenue yearly, is not treated as a branch of Abkari in Bombay, but is dealt with in the Opium Department. The proceeds are, however, included by the Government of India in the total of the Bombay Excise Revenue, which is stated in paragraph 62 of the Financial Statement for 1888-89 to have been Rs. 92,60,000 in 1886-87.

Note.—The reports do not clearly distinguish the revenue derived from the different kinds of Country Liquor. In 1886-87 the revenue was (in the Bombay Presidency, exclusive of Sind and Aden) Rs. 8,79,300 from raw toddy, Rs. 3,10,816 from toddy spirit, Rs. 2,81,149 from combined farms for sale of raw toddy and spirit: total Rs. 14,71,265. The toddy revenue in Sind was Rs. 300.

6. **Sources of the Abkari Revenue.**—The principal sources from which Abkari Revenue is raised are as follows:—

(1) Fees for the privilege of selling Imported Foreign Liquor.
(2) (*a*) Still-head duty on the spirit issued from public or central distilleries.
(*b*) Fees on the retail sale of country spirits.
(*c*) Fees on the distillation of toddy spirit.
(*d*) Fees on the manufacture and retail sale of spirit at outstills.
(*e*) Tree-tax on toddy-producing trees.
(*f*) Fees on the retail sale of toddy.
(3) Fees on the manufacture and sale of Intoxicating Drugs (as defined in the Abkari Act) other than Opium.

7. **Materials of Country Liquor.**—The Country Liquor (a term defined in the Bombay Abkari Act as including "all liquor produced or manufactured in India") consumed in the Bombay Presidency consists of (1) distilled spirit, (2) raw toddy, or the sap of the palm tree not converted into toddy spirit.

(1) The spirit is manufactured from the dried flowers of the mowra tree, from dates, jagri (sugarcane molasses), and from toddy; in some places the bark of the hewra and babul trees is used for flavouring. Mowra is the provincial name for the tree (*bassia latifolia*) known as mohwa in Bengal. Mowra spirit is consumed exclusively in Gujarat, all the districts of the central division, and partly in Bombay, Thana, and Kolaba. The mowra tree grows in Ahmedabad, Kaira, the Panch Mehals, in parts of the Thana district, in Khandesh and Nasik. Mowra flowers are also imported from the Gaekwar's territory and other Native States within the Presidency, and in large quantities from the Central Provinces. In the town and island of Bombay, and in the districts of Thana and Kolaba, toddy spirit is sold as well as mowra spirit. In Ratnagiri and the coast talookas of the Kanara district toddy spirit alone is used. In Belgaum, Dharwar, Bijapore, and the above-ghât talookas of Kanara, the spirit consumed is for the most part distilled from jagri.

(2) Toddy in its raw state, that is, fermented not distilled, is in demand as an intoxicating beverage to a greater or less extent in every district. In the Bombay Presidency jagri, *i.e.*, molasses, is not made from toddy.

All the mowra spirit consumed in the Bombay Presidency is double distilled: so is all the toddy spirit of 25° U. P. A concession has been made in allowing the toddy spirit of 60° U. P. to be singly distilled, though this is contrary to the conditions of the licenses.

8. **The Abkari Department.**—There is no necessity for the purposes of the present report to recapitulate the earlier history of Abkari administration in the Bombay Presidency. The question of improving the system then in force attracted the attention of the Local Government in 1861, and endeavours were made by the appointment of a Commission and an officer on special duty to arrive at some results. But the discussions lasted for several years without leading to any satisfactory conclusions. The real work of reform throughout the Presidency did not commence until the year 1876-77. The passing of the Bombay Act, V of 1878, is the point at which the prescientific period of Abkari administration ceased, and a fresh departure was taken. Certain reforms had indeed been effected in the town and island of Bombay in 1875. By the Tariff Act of that year, the Customs duty on imported spirit was raised from Rs. 3 to Rs. 4 per gallon L.P., and the Government of India soon after declared the expediency of increasing gradually the excise on country spirit, so as to approach as nearly as possible the Customs duty leviable on imported spirit. The enhancement of rates of duty in Bombay stimulated illicit practices, which could only be suppressed by legislation. About the same time, moreover, the Collector of Salt Revenue, Mr. C. B. Pritchard, C.S., who was *ex-officio* in charge of the mowra spirit distilleries at Uran, having paid attention to Abkari matters, brought to the notice of Government the insufficient taxation of toddy spirit as compared with the duty levied on mowra spirit, the low rate of duty on mowra spirit in Bombay as compared with that levied on similar spirit in Poona, and the needless sacrifice of revenue resulting from these causes. He was thereupon deputed by the Local Government to settle on new lines the terms of a fresh contract with the country spirit farmer for the district of Poona, and was placed on special duty

for the purpose of investigating the whole system of Abkari. The Act V of 1878, which came into force on the 1st January 1879, was the eventual outcome of his recommendations. It provided for the appointment of an Abkari Commissioner, and of the necessary staff of subordinates. This led to the formation of a separate Abkari Department. It appeared that the Abkari revenue had been very much neglected by the Revenue officers: there had been no sense of personal responsibility for the work and results such as a single Head of a Department must feel. The Commissioners of Divisions had no more special knowledge of Abkari than the District officers. The lower Revenue and Police officers (Mamlatdars, Mahalkaris, Patels, Talatis) were supposed to carry out some of the Abkari work (such as the prevention of the manufacture and sale of liquor without permission), but neglected it. There was no separate Abkari Administration Report before that for 1879-80: the Revenue Commissioners reviewed the Collectors' Abkari reports in their Land Revenue reports. As there was (and is) no Board of Revenue in Bombay, the Commissioner of Abkari was graded with the three Revenue Commissioners, that is, placed in a position next to that of the Honourable Members of Council. There are thus four appointments; three of the officers receive Rs. 3,500 a month, and one Rs. 3,000: the junior officer, whether the Abkari or a Revenue Commissioner, has the lower pay. Each of them has a fixed travelling and tentage allowance. This position was accorded to the Abkari Commissioner that he might have the *status* to ensure obedience and respect, and carry influence with Government. It is also considered essential for the effective administration of such a Department that the Head of it should not be stationary but able to move at any time, and that he should be in constant touch and communication with the Collectors as well as with his departmental subordinates. Though the principles of Abkari administration are for the most part settled, new schemes and experiments are constantly required, which are better directed by one Head interested in their success. Uniformity of principles is also better combined with a variation in their application under a departmental system than any other. I found the opinion to be strongly held that, if there were no Abkari Commissioner, the Abkari revenue would seriously fall off, and the administration certainly deteriorate.

9. **The Abkari System before Act V of 1878.**—The importance of the changes effected since the passing of the Act of 1878 will be apparent from a consideration of the system which obtained anterior to that date. It has been officially described in the following terms:—"The revenue from country liquor was generally raised by selling at auction the monopoly of the right to manufacture and sell spirit over specified tracts of country. Each farm usually comprised only a few villages, but in some districts whole talookas were sold in single farms. The farmers paid lump sums for their privileges, and were then free to make and sell as much liquor of as many kinds and strengths as they pleased, altogether uncontrolled by official interference. In most districts the toddy farms were sold along with the spirit farms, but in a few places the right to draw and sell toddy was sold separately. This system had the advantage of being simple and easy of management, but it left both Government and consumers very much at the mercy of the farmers. Government could only realize, in any year, just as much revenue as the farmers chose to guarantee, and the farmers often combined to keep down prices at the auction sales. The system provided no check whatever against the immoderate sale and consumption of cheap liquor, while it also allowed monopolists to put on sale weak and inferior spirit, and to charge for it any prices they pleased. It left Government in ignorance of the quantities of liquor made and consumed, of the cost of its manufacture, of the rates of duty realized upon it, of the strength and selling prices of the liquor sold, and of the amount of the profits derived by the monopolists from their farms."

Under this unrestricted farming system, the district or talook farmers generally sublet their shops by auction. They thus became middlemen, and intercepted profits which ought to have come to Government.

10. **Later Policy of the Abkari Administration.**—The main objects of the reforms in Abkari management recently introduced have been the gradual abolition of the lax farming system above described, and the substitution of a concentrated system of levying still-head duty under which the manufacture and issue of spirits are kept entirely under Government control and supervision. The superiority of a still-head duty system to a farming system hardly requires proof. Under the former Government are able to bring

manufacture under control, to tax it at definite rates, to ensure a supply of good wholesome spirit at reasonable rates with reference to the requirements and conditions of each district, to obtain trustworthy statistics of consumption, and so to vary the tax as to obtain a larger revenue from a diminished consumption. Under the latter the revenue is uncertain, the farmer is under no control and stimulates consumption. But a still-head duty system, to be successful, must be supervised by a well-paid establishment, and manufacture must be concentrated at a few places: the country also must be provided with easy means of communication throughout the year, or illicit distillation will ensue. These principles were fully understood when the change of system was made. The policy of the Local Government was declared 50 years ago in the Bombay Presidency, when the Collectors were strongly urged to restrain, and, if possible, to correct and diminish the total actual consumption of spirituous liquors. This policy has been reaffirmed on several occasions. The whole action of Government in their Abkari administration in recent years has been in the direction of (1) raising the price of licit liquor; (2) checking the consumption of illicit liquor; (3) restriction of manufacture to certain centres; (4) diminishing the number of liquor shops. It has been possible to carry out (1) effectively by the constant raising of the still-head duty and by increasing the tree-tapping tax in toddy-producing districts. The distillation and smuggling of illicit liquor has been met by increasing considerably the strength of the Abkari inspecting and preventive establishments, and enlisting the sympathies of the contractors on the side of Government, as well as by leasing from Native States, from which formerly liquor was supplied into British territory, the control of their Abkari arrangements. As far as possible the manufacture of spirit has been restricted and permitted under Departmental supervision at a few central places, generally at the Sudder station of each district. The figures also show that the number of shops for the sale of country spirits (see Appendix I) and stills (see paragraph 19) has been considerably reduced since the constitution of the Abkari Department, and a new shop is now only opened, after careful enquiry, to meet a local demand or prevent the use of illicit liquor. In constantly raising the still-head duty (as is shown in Appendix II), the Local Government have designedly followed the principle laid down by the Government of India after the passing of the Tariff Act of 1875.

The control of Government over the Abkari administration is exercised of course in many ways; but the most conspicuous directions in which the force of the control is exhibited are, as they strike one accustomed to other systems, (1) the fixing of the strengths of liquor, (2) the fixing of maximum prices of liquor, (3) the prohibition of the circulation of liquor (except in very small quantities) without a transport "permit," *i.e.* pass. The strengths of liquor have not been fixed without any regard to the tastes of the people, but it has been practically found that the two strengths of 25° and 60° U.P. (established almost universally throughout the Presidency) satisfy their requirements. The rare complaints that have been made have been met without difficulty. The fixture of the strengths of liquor is important for the following reasons:—(*a*) to enable the people to protect themselves from being cheated; (*b*) to facilitate the operations of the Department in ascertaining the consumption of spirit in a district, in keeping accounts, in fixing the price, in checking the movements of liquor, and in preventing smuggling. Maximum prices of liquor are laid down avowedly in the interests of consumers. It is not meant that the prices are fixed unfairly to either producer or consumer (so as to deprive the former of a legitimate profit, or to give the latter more spirit than he should receive for his money). The idea is that, as the producer is a monopolist, the public consumer should be defended from the improper use of his position by the former, and prices kept within reasonable bounds. There is also another object on the part of Government in preventing an undue raising of the price of spirit. Its result would be to reduce the consumption of licit liquor to the lowest possible limits, and the licensee would realize very high profits over a very small consumption. There would thus be great inducements for resort to illicit manufacture and supply. The people generally would not, under the circumstances supposed, be able to afford to purchase licit liquor, and would seek to satisfy their demands by improper means. Prohibitive prices are not desirable in the interests of Abkari administration. A high price of liquor is of the greatest importance. It has been found necessary to control the movements of liquor to protect the Abkari administration from illicit practices, so as to ensure the correct keeping of accounts at the shops for purposes

of inspection, and the attainment of real knowledge of the liquor traffic. In some districts of the Presidency the Abkari administration is rendered more difficult by the presence of the toddy palm and the co-existence of the demand for both mowra and toddy spirit. Measures have been taken to separate the spirit and the toddy farms in order to give free scope to the demand for toddy, which was in some quarters believed to be thwarted by the farmers, as they were more interested in the sale of spirit than of toddy. The aim of the Department has been to tax the alcoholic strength of spirit regardless of the cost of the material from which it was produced; this has not always been found possible. It has been the policy of the Department to place raw toddy at reasonable rates within the reach of the people, but a difficulty arises from the fact that a low rate of duty on raw toddy tends to its greater production, and consequently to the supply of material for illicit distillation into toddy spirit. In this respect toddy is a material of a specially dangerous nature. The juice ferments in two or three hours, and often in the pot, and reaches a high state of fermentation within 24 hours. Nothing is required but to let the vessel remain quiet for that time: when the juice has fermented, a floating saucer is placed inside, and the mouth of the vessel closed; the latter is put over a fire to boil, and distillation ensues. The difficulty of placing the Abkari administration of the Presidency on a satisfactory basis has been considerably enhanced by the existence of the many Native States either within or adjacent to the borders of British territory. The cheapness of liquor, the number of shops, and the general want of control in those States, for a long time prevented anything like systematic attempts to raise the price of liquor within British territory. The policy of Government has therefore been either to rent (even at considerable cost) the Abkari management of a number of the Native States, or to induce some of the more important States, *e.g.*, Baroda, to assimilate their Abkari systems with those of the neighbouring British districts. This has been a work of negotiation, and has necessarily taken time to accomplish. It must also be borne in mind that the reform of the Abkari administration has been spread over a period of years. The Department and the principal system in force could not be built up in a day. Districts have been successively taken in hand according as they presented facilities for treatment. The local circumstances of each district had to be carefully considered, and no action has been taken without obtaining a full knowledge of its requirements. The general impression conveyed to the mind is that in Bombay the Department and the Government have a thorough grasp of Abkari matters in every direction. It may be said that the general principles of Abkari administration, viz., the restriction of consumption, the supply of licit liquor, the prevention of illicit dealings, the raising of the price of liquor, have been thoroughly determined and established. But in their practical application it is not claimed that finality has been reached. Changes and improvements, which cannot be foreseen, are rendered desirable or possible by the course of events. At the present time an experiment of an important nature is under trial in certain districts, as will further appear from a consideration of the systems which I will now proceed to describe.

11. **The Systems at present in force in the Bombay Presidency for taxing Country-Spirits.**—The systems in force in different parts of the Bombay Presidency for the raising of Abkari revenue from country-spirits may be briefly enumerated as follows:—

(1) The still-head duty, public distilleries, and license-fee system. This has long been in force in the town and island of Bombay.

(2) The still-head duty, central distillery, and guaranteed minimum revenue system.

This has been introduced into the following districts—

Ahmedabad,	Nasik,	Satara,
Kaira,	Khandesh,	Belgaum,
Part of the Panch Mehals,	Ahmednagar,	Dharwar,
Broach,	Poona,	Bijapore,
Surat,	Sholapore,	The Halyal talooka of Kanara,

at various dates since the passing of the Bombay Abkari Act V of 1878.

(3) The still-head duty, public distilleries, and extra-percentage system, in the districts of Thana and Kolaba, since the 1st of January 1888.

(4) The outstill and lump-sum farming system. This has been in force in the districts of Ratnagiri and Kanara (except the Halyal talooka), and the Dohad and Jalod talookas of the Panch Mehals from a long time past.

The geographical area covered by each of these systems will appear from the accompanying map of the Presidency, which also shows how far the numerous Native States having relations with the Bombay Government have conformed to its Abkari policy. Each of these systems must now be examined more particularly.

The difference between public and central distilleries is explained in paragraph 21.

12. **The Still-head Duty, Public Distilleries, and License-fee System, in the Town and Island of Bombay.**—Before proceeding further, it should be observed that under the still-head duty, public distilleries, and license-fee system, which is in force in the town and island of Bombay, there is no restriction as to the price at which country liquor is sold, save that which results from (1) the levy of still-head duty at fixed rates and (2) the license-fee for the privilege of retailing the liquor, which the licensee is required to pay in addition to the still-head duty. Similarly, there is no restriction as to strength, save that imposed by the distillery rules, which do not permit the removal from the distilleries of spirit exceeding in strength 10° U. P. The price and strength are settled for practical purposes by the competition of trade. No guarantee is exacted from the licensee as to the minimum quantity of liquor to be sold in a year. All kinds of liquor are available for sale.

Mowra spirit.

Mowra spirit, and spirit made from molasses and other materials, is brought by boat from the public distilleries at Uran, in the Kolaba district, on the opposite side of the Bombay Harbour, or from the private distillery at Bhandup, in the district of Thana. Mowra and molasses spirit is also occasionally imported in small quantities under special permit into Bombay from the central distilleries in the mofussil.

Toddy spirit.

The toddy spirit consumed in Bombay is manufactured at the public distilleries in the island (Dadar and Chaupati), or is brought in from the Thana and Kolaba districts.

Raw toddy.

Raw toddy is obtained under tree-tapping licenses from the palm-trees growing on the island.

Distillation of Mowra spirit.

The license form for the distillation of spirit from mowra (or dates) at Uran allows of its exportation or removal only to Bombay and other places appointed by Government; the spirit is not to exceed 10° U. P., and is not to be adulterated except with water. The spirit of each distillery is to be kept separate, and six pies per gallon are to be paid, like the "distillery fee" in Bengal, as a contribution towards the distillery establishment. The other provisions are of an ordinary character.

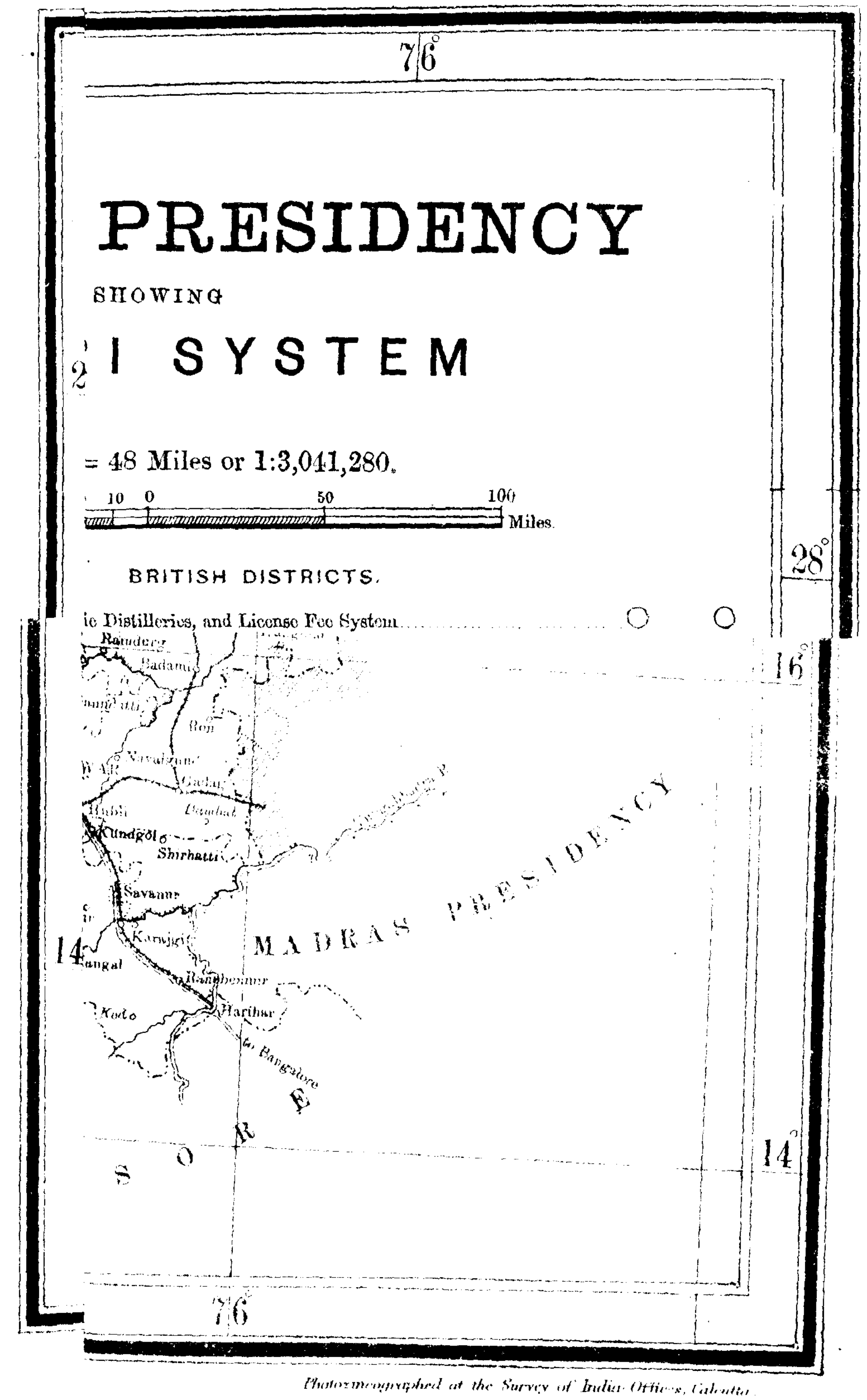
Distillation of toddy spirit.

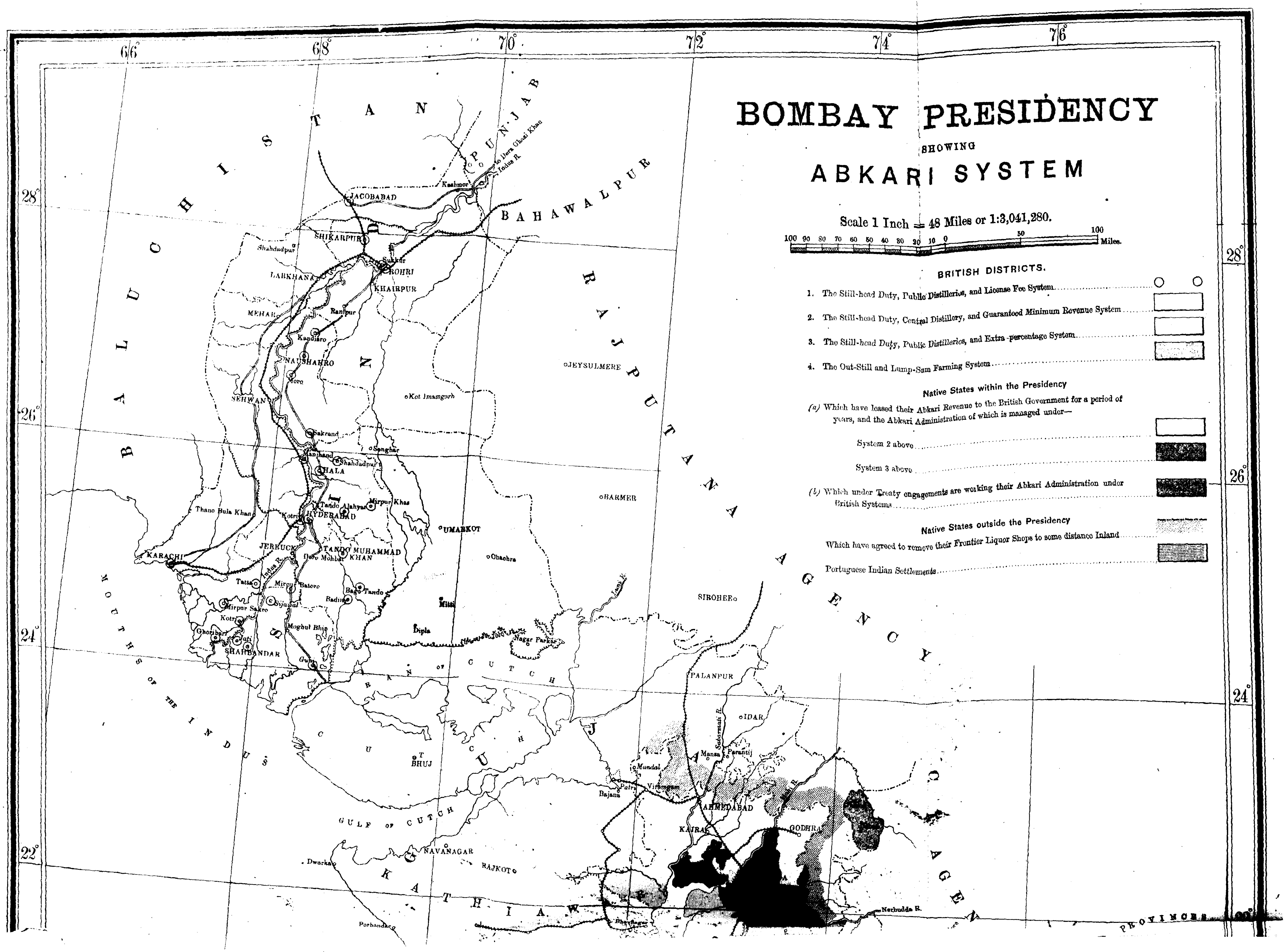
Abkari revenue is realized in the island of Bombay from the distillation of toddy spirit as well as from the license fees of the shops sold by auction. Licenses are issued by the Collector of Bombay to approved applicants to distil toddy in either of the public distilleries. The principal conditions of the license are as follows :—

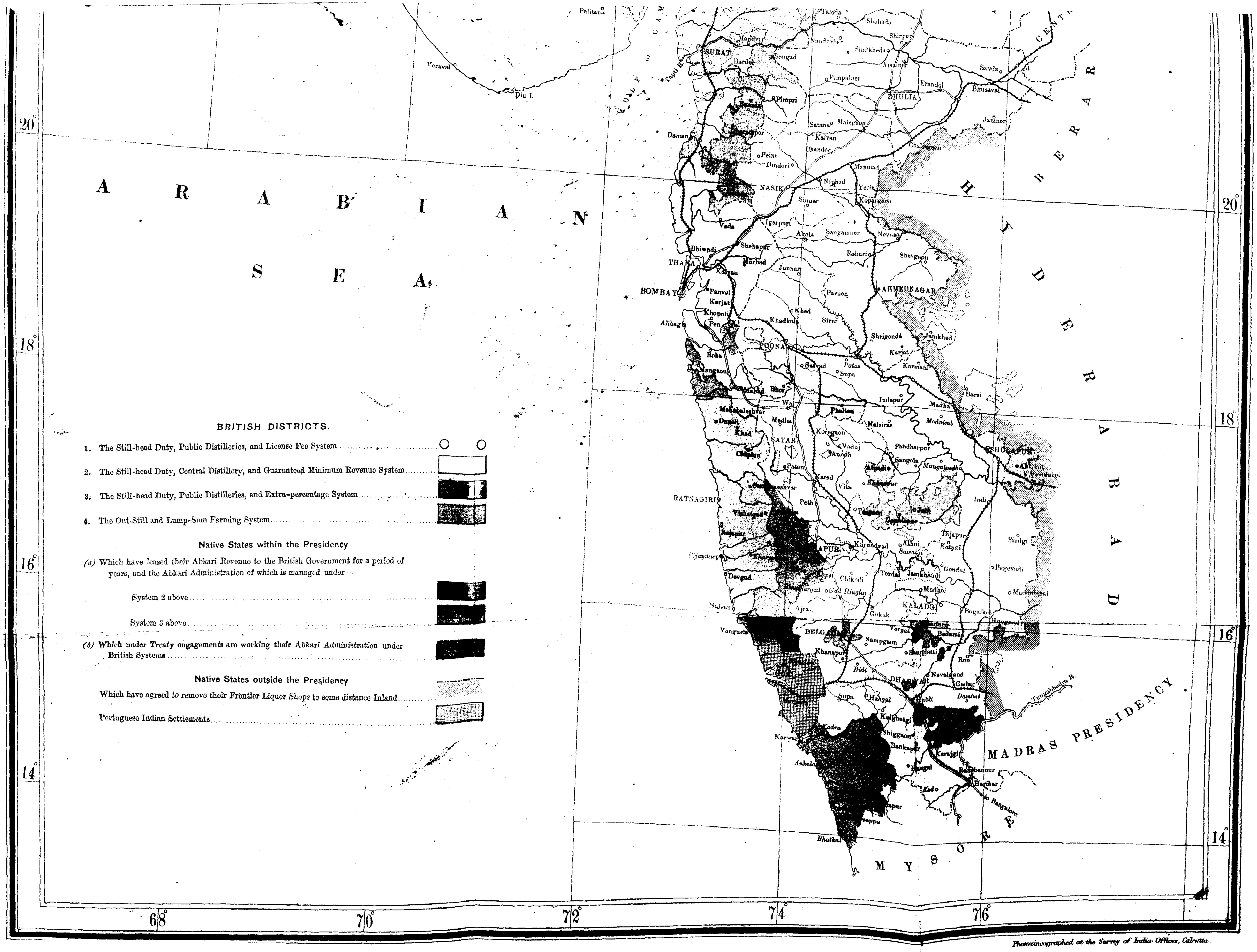
(1) It is tenable for a year from the 1st of August or from the date of issue to the 31st of July following.

(2) The licensee must find his own stills and appliances for distillation, and must on the issue of the license pay a distillation fee at the rate of one rupee per gallon on the full capacity of each still to be set up, subject to a minimum rate of Rs. 40 per still. (This condition has been changed at the Dadar distillery from the 1st August 1888. Instead of this still license fee a distillery charge of nine pies per gallon, irrespective of strength, is to be charged.)

(3) The licensee may procure toddy for distillation from licensed tappers, hawkers and toddy shop-keepers, and may sell the spirit produced by him to any person licensed to retail the same in the town and island of Bombay.




BOMBAY PRESIDENCY
SHOWING
ABKARI SYSTEM
Scale 1 Inch = 48 Miles or 1:3,041,280.
100 90 80 70 60 50 40 30 20 10 0 50 100 Miles.
BRITISH DISTRICTS.
1. The Still-head Duty, Public Distilleries, and License Fee System
2. The Still-head Duty, Central Distillery, and Guaranteed Minimum Revenue System
3. The Still-head Duty, Public Distilleries, and Extra-percentage System
4. The Out-Still and Lump-Sum Farming System
Native States within the Presidency
(a) Which have leased their Abkari Revenue to the British Government for a period of years, and the Abkari Administration of which is managed under—
System 2 above
System 3 above
(b) Which under Treaty engagements are working their Abkari Administration under British Systems
Native States outside the Presidency
Which have agreed to remove their Frontier Liquor Shops to some distance Inland
Portuguese Indian Settlements
66° 68° 70° 72° 74° 76°
28° 26° 24° 22°
BALUCHISTAN
PUNJAB
BAHAWALPUR
RAJPUTANA AGENCY
SIND
JACOBABAD
SHIKARPUR
Sukkur
ROHRI
KHAIRPUR
LARKHANA
MEHAR
NAUSHAHRO
SEHWAN
HYDERABAD
KARACHI
JERRUCK
TANDO MUHAMMAD KHAN
SHAHBANDAR
JEYSULMERE
BARMER
UMARKOT
SIROHEE
PALANPUR
IDAR
AHMEDABAD
KAIRA
GODHRA
Viramgam
BHUJ
NAVANAGAR
RAJKOT
Dwarka
Porbandar
CUTCH
RAN OF CUTCH
GULF OF CUTCH
MOUTHS OF THE INDUS
KATHIAWAR
Nerbudda R.



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1888

(4) Still-head duty is levied at the following rates on all toddy spirit issued from the distillery :—

	Rs.	A.
If the strength of the spirit does not exceed 60° U. P.	0	12
If the strength of the spirit exceeds 60° U. P., but does not exceed 25° U. P.	1	6

(5) Spirit of strength exceeding 25° U. P. is not allowed to be manufactured in, or issued from, the distillery.

The rates of still-head duty on toddy spirit, as above stated, require some explanation. The sanctioned rates of still-head duty on toddy spirit are Rs. 2-6 per gallon of 25° U. P., and Re. 1-4 per gallon of 60° U. P. But the toddy spirit must of course be manufactured from raw toddy drawn from trees, on which the tree-tapping tax has already been levied. As will appear subsequently, this tax is levied at the rate of Rs. 10 on each cocoanut and brab-tree, and Rs. 5 on each date-tree. It has been calculated, and it is the recognized standard (though the accuracy of the calculation is impugned by later statistics*), that each cocoanut and brab produces 10 gallons of spirit at 25° U. P., and each date-tree 5 gallons of that strength. Thus the tree tax amounts to one rupee per gallon of 25° U. P., which is equivalent to rather more than 8 annas per gallon of 60° U. P. As the toddy spirit has necessarily paid the tree tax on raw material to this amount, it would be inequitable to charge the still-head duty at the full rates of Rs $\frac{2\text{-}6\text{-}0}{1\text{-}4\text{-}0}$ per gallon of $\frac{25^\circ \text{ U. P.}}{60^\circ \text{ U. P.}}$ (which would be leviable if no tree-tapping tax had been imposed). The full rates of Rs. $\frac{2\text{-}6}{1\text{-}4}$ are therefore respectively reduced by Re. $\frac{1\text{-}0}{0\text{-}8}$, and the remainders, viz. Re. $\frac{1\text{-}6}{0\text{-}12}$, are the still-head duties really levied in cash on the toddy spirit for $\frac{25^\circ \text{ U. P}}{60^\circ \text{ U. P.}}$, as it is issued from a distillery. It is necessary that the taxation of toddy spirit should be, partly at least, by means of a tree tax on the raw toddy: for at the time that the raw material is drawn, it is impossible to say whether it will be converted into spirit or sold in its raw state.

* See note in Appendix III.

Arrangements for sale of liquors.

It will be well to state the arrangements for the sale of each of these liquors in order. All the shops for their retail sale were sold by auction for a period of three years in July 1886. Each shop was put up to auction with an initial bid equal to a minimum annual fee fixed in each case (between Rs. 500 and Rs. 900). If the highest bid offered was considered by the Collector to be fair, the shop was sold to the highest approved bidder. It was announced before the sale that the successful bidder might have his license renewed after the 31st of July 1889 (subject to the good behaviour of the licensee), at a price and on conditions to be fixed by the Local Government.

Sale of Mowra spirit and toddy spirit together.

At the auction above mentioned, 225 retail country liquor shops sanctioned by Government were sold, viz., 40 of the first class, with permission to be kept open till 11 P.M., and 185 of the second class, to be closed at 9 P.M. At these shops either mowra or toddy spirit can be sold. Mowra spirit may be as strong as 10° U. P. The spirit ordinarily sold varies in strength between 10° U. P. and 25° U. P. It must all have paid still-head duty (at Uran or Bhandup) at the rate of Rs. 2-12 per gallon of strength 25° U. P. (*plus* the municipal octroi tax of 4 annas a gallon), and a proportionately higher rate for stronger spirit. (This rate of duty is equal to about Rs. 3-10-8 per gallon L. P., the rate leviable on foreign-imported spirits under the Tariff Act being now Rs. 5 per gallon L. P.) No spirit stronger than 10° U. P. can be sold in Bombay as country-spirit. The toddy spirit saleable at these country liquor shops must have been manufactured in, or brought into, the island as above mentioned, and have paid duty, partly in the shape of tree tax, and partly in the shape of still-head duty, amounting, in the aggregate, to a rate of Rs. 2-6 per gallon of 25° U. P. strength. No toddy spirit may be sold higher than 25° U. P. or below 60° U. P. in strength. A margin of 2° is allowed, *i.e.*, to 27° U. P. and to 62° U. P., but the duty is charged as if on 25° and 60° U. P. The fixture of the strengths is more for the protection of consumers than of the revenue.

Sale of Mowra spirit only.

There were also 75 retail mowra spirit shops sanctioned and 74 sold, at which only mowra duty-paid spirit is saleable.

Sale of Toddy spirit only.

For the sale of only toddy spirit by retail 50 shops were sanctioned and sold, the spirit being manufactured in, or brought into, the island as aforesaid.

The taxation of raw toddy in Bombay town and island.

Though raw toddy and foreign liquor *cannot be included in the heading 'Country-spirits' now being described, it will be convenient to complete the account of the taxation of intoxicating liquors in the town and island of Bombay by stating how* Abkari *revenue is also raised from these sources within that area.*

Tree-tapping.

Licenses to tap palm-trees for raw toddy are issued to applicants. They state the number and kind of trees for which they require licenses and the survey numbers of the areas in which the trees grow. If desired by the Collector, the applicant must produce a written permission from the tree-owner (*fasandar*) to tap the tree and a guarantee for the payment of the tax. The reason for the guarantee is that under the Act (section 21) the owner of the trees is finally responsible to Government for the payment of the tree tax on trees tapped. No special fee is charged for the tree-tapping license itself. Its principal conditions are—

(1) Each license is tenable from the 1st of August, or the date of issue, to the end of the following July.

(2) Tree tax is levied on each tree licensed to be tapped at these rates:—

Cocoanut and brab-trees, Rs. 10 per tree tapped.
Date-trees, Rs. 5 per tree tapped.

(3) The tax is recoverable by specified instalments.

(4) If he has a separate tree-foot-booth license (which costs Rs. 10 a year), the licensee must remove all his toddy forthwith to that booth, and sell it there only, at a price not exceeding nine pies per eight drams.

(5) If he has not a separate tree-foot-booth license, the licensee may only sell at the tree-foot, and only to (*a*) distillers, (*b*) toddy shop-keepers, (*c*) toddy-hawkers: he may not sell to the public or a tree-foot-booth keeper.

(6) Exchanges of trees licensed to be tapped for other trees are not allowed on any ground whatever.

A tree-foot-booth keeper must have a tapping license before he can have a booth: he may only sell to (1) consumers, (2) distillers. The practical result is that he only taps sufficient trees to supply the known consumers of the locality.

An owner of a palm-tree must take out a license and pay the tax before he can tap his own tree. He must do this even though the toddy is required for domestic consumption. There is no special form of license to tap for domestic consumption in the town and island of Bombay, as there is in the Thana, Kolaba, and Surat districts.

Sale of raw toddy.

Thirty licenses for hawking toddy were issued at a fixed fee of Rs. 10 each. These licenses are for the Abkari year, or a portion of it. A hundred shops for the sale of raw toddy are licensed in different parts of the town. Each license (for three years) was put up to auction at a minimum annual rate of Rs. 50. These shops were included among those to be renewed after the 31st July 1889 on terms to be fixed by the Local Government. Unfermented toddy (called *nira*) is only produced when specially ordered, and only in the cold weather. Only about 500 to 1,000 gallons are consumed in a season: the price of it is from 2 to 3 annas a bottle. No special form of license is required for drawing *nira*. It is drawn under the ordinary tapping license.

Toddy revenue.

The tree-tax on raw toddy amounted in 1886-87 to Rs. 36,915: the rent of trees on Government land to Rs. 169: the sale-proceeds of licenses for the sale of toddy to Rs. 8,559: total Rs. 45,643.

Foreign liquor.

There are 50 shops of two classes for the retail sale of foreign liquor, which were put up to auction with minimum upset prices. Madras, Mauritius, Shahjehanpore, and Jamaica Rums are charged with duty at Tariff rate, and can be sold under

licenses for the sale of foreign liquor. There are also hotels, refreshment-rooms, and wholesale shops for the sale of foreign liquors and country spirits subjected to duty at the Customs Tariff rates. Including the 50 above mentioned, there were 209 licenses issued in Bombay in 1886-87 for fees amounting to Rs. 65,657. There is no special feature in the foreign liquor trade in Bombay, and the amount of revenue derived from it is an insignificant item in the total receipts, Rs. 22,52,578, for Abkari in Bombay town and island in the year 1886-87. It is said that there is very little smuggling into Bombay, there being no inducement, as the cost of liquor is about the same in the neighbourhood as in the town and island.

13. The Still-head duty, Central Distillery, and Guaranteed Minimum Revenue System.—This is the principal system generally in force throughout the Presidency. It was first introduced into Poona, then into the districts of Sholapore, Satara, and Ahmednagar, and has been gradually extended. As the period for which existing farms or leases have been granted is approaching its termination, tenders are invited by a departmental notice for the monopoly for three years of the right or privilege to distil and sell country spirit of specified strengths in a Collectorate. In the notice information is given of the arrangements concluded, or proposed, with neighbouring Native States, of the quantities of country spirits of each strength consumed, and the amount of duty realized, during recent periods, of the still-head duty rates, and the maximum selling prices for spirit of each strength, in force and to be enforced,—such information, in fact, as may assist tenderers in calculating the value of the farms. The right constitutes a farm, and is granted to the person (provided that he is approved by the Department), who guarantees to pay to Government the highest minimum revenue, *i.e.*, the highest minimum aggregate of still-head duty on the country spirit issued from the distillery for consumption within the limits of the farm. He pays no separate fee for the privilege of retailing spirits. If the aggregate still-head duty paid by the contractor during the period of his farm does not amount to the minimum sum guaranteed by him, he is bound by his contract, *i.e.* license, to make up the deficit by a cash payment; the bond is strictly enforced. If the still-head duty payable on the quantities of spirits passed into consumption exceeds in any year the minimum annual payment guaranteed by the contractor, he has to pay duty at the same rate on each gallon issued above the number of gallons covered by his guarantee. The tenders are called for about two months before the 31st of July. By the system of tender the competition is limited to persons of substance, and farmers have been secured in whom the Abkari Department has had confidence. The successful tenderer is furnished with a license setting forth his rights and obligations at length. These are so carefully and elaborately prepared that they extend to about 36 paragraphs, and cover six or seven pages of printed foolscap paper. The issue of spirit and payment of still-head duty at the distillery are strictly regulated by the following provisions of the license:—

"(*a*) All spirit shall be distilled twice over before being issued, and shall be issued of strength as near as possible to 25° U. P., or to 60° U. P.
(*b*) No spirit shall be issued of strength greater than 25° U. P.
(*c*) No spirit shall be issued of strength below 60° U. P.
(*d*) All spirit issued of strength above 60° U. P. and below 25° U. P. shall be charged the duty on 25° U. P."

Similarly, the sale of country spirit at a shop is governed by other conditions of the same license;—

"No country spirit, other than that supplied from the authorized distillery or depôts maintained by the licensee, shall be sold at any shop. Country spirit shall be sold pure and undiluted as issued from the distillery, and of two strengths only, viz., 25° U. P. and 60° U. P. No spirit shall be placed on sale, or sold, at any shop as spirit of strength 25° U. P., which is below the strength of 27° U. P., or as spirit of 60° U. P., which is below the strength of 62° U. P."

There is generally one central distillery for the whole district. It is the property of Government, and the farmer is bound to keep it in repair according to the terms of his license. The outgoing farmer is bound to inform the Collector, six months before the expiration of his farm, whether he wishes or not to sell his distillery plant to his successor. If he does, the Collector causes the plant to be valued, and the outgoing farmer is bound to accept that valuation. The license contains a clause which authorizes the Collector to demand from the outgoing farmer liquor sufficient for 15 days' supply to be made over at cost price to the incoming farmer. The outgoing farmer is bound to comply with this demand *only* if a written notice was given to him by the Collector two months before the expiry of the farm. The license also contains another clause under which all stocks of spirit held by the licensee on the expiry of his license are confiscated by Government. The outgoing farmer can, however, claim from the Collector the cost price (at 8 annas and 4 annas a gallon, according to its strength) of so much of the liquor confiscated (*i.e.*, lapsed) to Government at the expiry of the farm as would represent 15 days' supply. The result is that *if* a Collector has given the notice abovementioned *and* the farmer has left stocks of spirit equal to 15 days' supply, then the Collector will have in his possession a month's supply for which he will have paid at cost price. The incoming farmer is bound to purchase from the Collector, if the latter offers it, one month's supply of liquor. The object is to provide the incoming farmer with a stock of liquor ready to his hand to enable him to furnish his retail shops from the day on which he enters into his farm. If the distillery Inspector finds that the outgoing farmer has sufficient stock in hand towards the end of the period of his farm to meet the legitimate consumption until his contract expires the farmer's manufacture may be stopped. The object of this condition is explained further on in this report (see paragraphs 16 and 27.)

The number of the farmer's retail shops may fluctuate from year to year. The farmer is not allowed to open or shut a shop without the permission of the Collector, while the sanction of the Commissioner of Abkari is necessary to the opening of new shops. The number is adjusted to local requirements. The farmer is bound by the conditions of his license to supply the outlying portions of the district as much as the tract near the distillery, and no complaints have been made against farmers for failure in this respect. Not only may the Collector require the farmer to open and maintain a shop wherever he may desire one, but the farmer is bound to keep a minimum quantity of liquor, generally the equivalent of one month's demand, at the store-room of his distillery, at his depôt, and at each shop. In mofussil districts the Police Department is not necessarily consulted before a shop is opened: any objections which the Police may make are duly investigated. The general principle followed is that, wherever a demand exists for liquor, licit liquor must be placed within reasonably easy reach of those requiring it. Experience shows that those who want liquor will have it, and if difficulties are placed in the way of their obtaining licit liquor they will resort to illicit practices. At each central distillery there is a resident Inspector, generally a European or Eurasian (the salaries of Inspectors vary from Rs. 100 to Rs. 275 a month); he measures and tests the liquor himself The object of double distilling all the spirit issued is that it may be rendered more wholesome and distinguishable from spirits manufactured after less scientific methods. Moreover, it may not exceed 25° U.P. in strength, and within the area of the monopoly farms for the manufacture and sale of such spirits, the sale of imported foreign spirits and of spirits of Indian manufacture subjected to duty at similar rates, of strength below 15° U.P., is prohibited. (The object of this measure is to prevent the cheap spirit imported from Europe and rum made in India, sold by licensed vendors, from competing unduly with the country liquor sold by monopoly farmers, the rate of duty levied on which in many districts of the Bombay Presidency is equal to, or closely approximates that levied on imported spirit). The licensee is required to deposit with the Collector, as security, a sum equal to one-tenth of the minimum revenue guaranteed by him. On the strength of this security-deposit spirit is issued to the licensee from the distillery on credit, and an account is made up at the end of each month, showing the amount of duty due on the quantities of spirit issued during the month at the rates in force for the district or area of the farm. The licensee is bound to pay on the last day of the month the amount shown by this account as due from him. On all outstanding balances interest is charged at the rate of Rs. 12 per cent. per annum. The

officer in charge of the Huzur treasury, who is generally the officer entrusted with the keeping of the account just mentioned, grants a permit for the removal of liquor from the distillery. On the back of this permit, the distillery Inspector, when issuing the specified spirit, endorses a permission to transport it to the licensed shop indicated. He also weighs and keeps an account of all the materials connected with the manufacture of liquor brought into the distillery and used therein daily, and of the daily outturn of spirit. From the account kept of the materials the Department is able to know the cost of manufacture during any required period, which is most important for calculating the farmer's margin of profit and for fixing the maximum selling price. After testing the liquor and filling the casks, and seeing that they are securely sealed, the Inspector allows the casks to issue to the farmer's depôt or shops. There is generally a depôt for each district; in some districts there is no depôt; in others there are several depôts. The liquor is usually sent from the distillery to the depôt and not direct to the shops, and it must go to the depôt by a certain described route: the shops may be supplied direct from the distillery. The Inspector at the depôt checks the spirit received, and tests it again. At the retail shops the farmer is obliged by his contract to sell his liquor within the maxima prices fixed by the Department. In practice, liquor is usually sold at the maximum price allowed. The strengths of the spirit issued were at one time 20° or 25° U.P. and 40° or 50° or 70° U.P., but 25° and 60° U.P. are now preferred by consumers. The farmer is bound to maintain reasonable establishments for the inspection of shops and for the prevention of malpractices therein and of illicit sale. I was informed that the practical experience of a long trial of the central distillery, guaranteed minimum revenue, system as worked in the Bombay Presidency, together with the measures taken to bring under control the manufacture and sale of spirit in Native States marching with British districts, is that smuggling and malpractices have been virtually stopped. It is claimed for the system that it gives a knowledge of the licit consumption of a district, and of the cost of manufacture and sale of country spirits of different strengths; that it enables Government to regulate taxation so as to secure the full revenue from the spirits consumed; that it facilitates supervision; that it employs a better class of persons in the trade than the petty Kalâls; and that it secures to consumers liquor of good quality and known strength at a fair price. To induce respectable and substantial persons to tender for these contracts, it has been considered essential to allow them handsome profits, especially at the commencement, though in time these have been reduced.

14. **The Still-head Duty, Public Distilleries, and Extra-percentage System, in the Districts of Thana and Kolaba.**—Before entering into details, I ought to observe that, as the complications and changes about to be described arise in great part from the extensive use of toddy spirit in these districts, a statement of them may appear to be of little practical interest to the Government of Bengal within whose jurisdiction spirit is not at present distilled from toddy. But no account of the systems in force in the Bombay Presidency would be complete which failed to call attention to the peculiar character of these districts and the experiments now being carried out therein: it is not easy to make the state of the case intelligible without an explanation in detail.

When mowra spirit and toddy spirit are both consumed in the same district they clash, because the latter is more costly to manufacture than mowra spirit of equal strength, the raw material being dearer. The real difficulty lies in assimilating the still-head duty rates so as to treat both spirits fairly. Thus reforms in respect of one spirit have to be postponed because of embarrassments connected with the other spirit.

The districts of Thana and Kolaba are of special importance in the Abkari administration of the Presidency; they are situated near to the island of Bombay; both mowra spirit and toddy spirit are consumed in them, as in Bombay; by reason of the abundance of palm-trees, raw toddy is drunk to a considerable extent by the people. The Abkari arrangements of these districts have been for the last three years under the careful consideration of the Local Government, and several changes of importance have been introduced since the 1st of January 1888. The main object of the changes, it may be premised, has been to meet the popular cry for cheap raw toddy, and to try a system free from an alleged objection to the guaranteed minimum revenue system, which is said, instead of restricting sales, to stimulate them, at least up to a certain point.

Thana is divided into (1) the coast talookas, Salsette, Mahim, Bassein, Dahanu (with its *petta*, or sub-division, named Umbergaum); (2) the six inland talookas; (3) the Native State of Jowhar. Kolaba is similarly divided into (1) the coast talooka of Panwell and the *bagayat* (garden) portion of the Alibag talooka; (2) the rest or inland portion of the district, with the Sudhagad Mehal of the Native State of Bhor. Soon after the passing of the Act of 1878 and the formation of the Abkari Department, the guaranteed minimum revenue system was introduced into these districts, and remained in force until it was abolished on the 1st January 1888. The details of the system have varied in different portions of the districts, but a main feature of it has always been that the consumption of toddy spirit has been confined to the coast talookas, in which the palm-trees grow, and has been unknown in the inland talookas. The reforms effected in the administration up to the present time may be summarised as follows:—

(1) All outstills for the manufacture of spirits, both from mowra and from toddy, were abolished in the period 1878 to 1880.

(2) Mowra spirit is to be supplied to both the districts from the public distilleries at Uran, and the private distillery at Bhandup.

(3) Toddy spirit is to be obtained in the coast talookas (where only, as already said, it is consumed) from the local public distillery of each talooka.

Previous to the 1st August 1886, the farmer of the sale of country spirit had the monopoly of manufacturing toddy spirit in all the talookas where toddy spirit was consumed. The monopoly was abolished in the talookas of Bassein and Salsette from 1st August 1886 (after public distilleries had been established there), and in the other talookas from 1st January 1888.

(4) The right of selling raw toddy has been separated from the right of selling spirit. This separation was carried out in the Dahanu talooka and in the inland talookas some years ago, in Salsette, Bassein, and Mahim from 1st August 1886.

(5) A still-head duty rate has been imposed on every gallon of mowra spirit issued from the distilleries for consumption in the two districts.

(6) A duty is levied on raw toddy and toddy spirit by the imposition of a tree-tapping tax on the trees from which toddy is drawn. Up to 31st December 1887 no still-head duty, in addition to the tree tax, was levied on the toddy spirit consumed in the Thana and Kolaba districts, and consequently higher rates of tree tax were levied in those talookas where toddy spirit was manufactured. Since the 1st January 1888, a still-head duty has been imposed on toddy spirit, and the tree tax rates have been lowered to Rs. 10 per cocoanut and brab-tree, and Rs. 5 per date-tree, wherever they exceeded those rates.

(7) The guaranteed minimum revenue system has been abolished throughout the two districts since the 1st January 1888, and a system substituted by which the farmer, who is approved by the Department and agrees to pay the highest extra-percentage beyond the fixed still-head duty on each gallon of spirit, mowra and toddy, is granted the exclusive right of the sale of spirit within a given area. The rate of the extra-percentage is settled by tender: ordinarily the highest tender is accepted. The farmer does not contract to pay any fixed minimum gross amount as revenue. This extra payment is a kind of fee for the exclusive privilege of retailing spirit within the limits of the farm.

Changes of 1st January 1888.

At the risk of some recapitulation, it may be stated briefly that the changes of 1st January 1888 were as follows:—

(*a*) The substitution of the extra-percentage system for the guaranteed minimum revenue system throughout the two districts.

(*b*) The exclusive privilege of manufacturing toddy spirit at their own stills was taken away from the farmers of the sale of toddy spirit in the talookas of Dahanu, Mahim, Panwell, and *bagayat* Alibag. (It was withdrawn in August 1886 in Salsette and Bassein). They have now to obtain their toddy spirit from the local public distilleries established since 1st January 1888.

(*c*) The exclusive right of selling toddy was taken away from the country-spirit farmers of the Panwell, and *bagayat* Alibag talookas. The arrangements in force in the other parts of these districts were extended to these talookas, so that toddy can only be obtained now from the tree-foot-booth keepers, or toddy shopkeepers, who are independent of the farmer.

(*d*) The rates of the tree-tapping tax, wherever they exceeded Rs. 10 per tree, were reduced to Rs. 10.

(*e*) Still-head duty was imposed on toddy spirit: theoretically the same as on mowra spirit, viz., Rs. 2 per gallon 25° U. P., but a drawback of Re. 1 per gallon is allowed on account of tree-tax payments, whatever the rate of the tree-tax may be.

(*f*).—Licenses for tapping trees for domestic consumption have been allowed to owners of trees, for five trees for each family, on payment of the tree-tax only.

System in force.

Thus, taking the previous reforms and the recent changes together, the system now actually in force in different parts of these districts is as follows:—

(I.)—In Salsette, Bassein, Mahim, Dahanu, Panwell, and *bagayat* Alibag, all the inland talookas of both districts, the Jowhar State, and Sudhagad Mehal of the Bhor State, the still-head duty is at Rs. 2 per gallon, in Umbergaum (because of the proximity of the Portuguese Settlement of Damaun) at Re. 1-8 per gallon, of 25° U. P. of mowra spirit. The extra-percentage on the still-head duty varies in the talookas from Rs. 24 to Rs. 46-4; *i.e.* instead of paying Rs. 100 still-head duty on 50 gallons of spirit (when the duty is at Rs. 2 per gallon) the farmer pays Rs. 124 on that quantity in some talookas, and other sums, up to Rs. 146-4 in other talookas. In the Jowhar State the extra-percentage agreed upon is very low, viz. Rs. 3, the reason being that the State is very remote from the public distilleries and not easily accessible.

(II.)—On toddy spirit there is a still-head duty of Rs. 2 per gallon of 25° U. P. in Salsette, Bassein, Mahim, Panwell, *bagayat* Alibag, Dahanu, and Re. 1-8 in Umbergaum (a drawback of Re. 1 per gallon being allowed in all cases). The extra-percentage is charged on the still-head duty paid on toddy spirit as in the case of mowra.

No toddy spirit may be consumed in the inland talookas of the two districts, or the Jowhar State, or the Sudhagad Mehal of the Bhor State.

(III.)—The rates of tax for tree-tapping are in Salsette, Bassein, Mahim, Panwell, *bagayat* Alibag, Rs. 10 per cocoanut or brab tree; in Dahanu Rs. 7-8; in Umbergaum Rs. 5; in the inland talookas of the two districts, including Sudhagad, Rs. 9; in the Jowhar State Rs. 7-8.

(IV.)—The farmer of the monopoly of *sale* of country spirit, *i.e.*, both mowra and toddy, has no monopoly of the right of *manufacture* of mowra or toddy spirit; he obtains his mowra spirit from the Uran distillery, and his toddy spirit from the talooka public distillery. (This is the case throughout the two districts, except that in the inland talookas no toddy spirit is consumed.)

(V.)—The farmer of the monopoly of sale of country spirit cannot sell raw toddy in any talooka in which he holds his monopoly.

(VI.)—The country spirit farmer has throughout the two districts to pay the extra-percentage on the still-head duty.

(VII.)—Distillers are licensed to manufacture toddy spirit at the public distilleries, on payment of fees at certain rates. They may buy toddy from the licensed tappers and licensed toddy shopkeepers of the same taloo., or may obtain separate licenses on the usual terms. They may sell toddy spirit to the country spirit farmer of the taloo. for local consumption and for export to Bombay, and they may charge any price they please for the liquor so sold.

(VIII.)—For the sale of raw toddy, the following arrangements are in force:—

(*a*) Tapping licenses are issued to tree-owners for 5 cocoanut or brab-trees, or for 10 date trees, in each case, for the extraction of toddy for domestic consumption only, with the stipulation that a surplus toddy is to be sold to licensed toddy shop-keepers or to licensed toddy distillers, if any, of the talooka or mehal concerned, and to no one else.

(*b*) Tapping licenses, for not less than 10 trees, are issued on payment of the tree-tax, to approved applicants, who on payment of a fee of Rs. 10 are allowed to sell the produce of those trees at tree-foot-booths established at places appointed by the Collector. They may sell toddy to the public or to the licensed toddy distillers, if any, of the talooka or mehal.

(*c*) Tapping licenses are issued (on payment of the tree-tax, but no fee), without any limit as to number of trees, to applicants, who are entitled thereby to sell toddy to licensed shop-keepers and licensed toddy distillers of the talooka or mehal, but not to the public or to tree-foot-booth keepers. A tapper may also be a shop-keeper on paying the shop fee in addition to the tree-tapping tax.

(*d*) Licenses for the sale of toddy at shops are issued, on payment of a fee of Rs. 10 or, where there are several applicants for the same shop, all or several of whom are equally eligible, the licenses are sold by auction. Licensed shop-keepers may buy toddy from tappers (*a*) and (*c*) above, but not from (*b*). They may sell toddy to the public or to licensed distillers, if any of the talooka or mehal, but not to a tree-foot-booth keeper, or to another toddy shop keeper.

Thus, a toddy-shop keeper need not have a tapping license (for he obtains his raw toddy from a tapper), but a tree-foot-booth keeper must take out a tapping license.

(*e*) The rules applicable to shop licenses apply to tree foot-booths also.

(*f*) No maximum selling price for raw toddy is fixed, and the licensees are at liberty to retail the juice at any price they please; but Government retains to itself the right of regulating the maximum selling price, at any time during the currency of the licenses, if found necessary for the protection of consumers.

It thus appears that the monopoly of manufacturing spirit in these districts is not granted to any individual. There are no central distilleries in them as in the Gujarat and Deccan districts, and Nasik and Khandesh above the ghats, where the monopoly farmers manufacture their spirits. The districts are dependent, for their mowra spirit, on the Uran distilleries, and on the private distillery of Bhandup. The mowra spirit supplied to these districts from the distilleries must be twice distilled, not below 60° U. P. or above 25° U. P., and all spirit between 60° and 25° U. P. is to be charged a duty on 25° U. P.: the toddy spirit is not to exceed 25° U. P. at the distillery; if below 60° U. P. it is to be charged the duty on 60° U. P.; if between 25° and 60° U. P. it is to be charged the duty on 25° U. P. At the shops all country spirit, *i.e.*, both mowra and toddy, is to be sold pure and undiluted, of two strengths, viz. 25° and 60° U. P., a margin of 2° lower being allowed. The admixture of toddy spirit with

mowra spirit is prohibited. Duty is paid on the mowra spirit at the Collectorates, not at Uran, but prepayment of duty is not insisted upon. An account is drawn up at the end of the month of the duty due on the spirit issued to each farmer during the month, and the amount is recovered at once.

Public toddy spirit distilleries have been established in each talooka (where the sale of toddy spirit is permitted) of the Thana and Kolaba districts, and a set of rules has been framed for their management.

Arrangements for the retail sale of spirit (mowra and toddy) are made through a farmer who holds the monopoly right of sale. This right is sold by auction or tender; generally by the latter method. The inland talookas of both the districts, which are worked under a uniform system, are generally sold in one farm, and the other talookas are usually sold singly; but there is no departmental objection to the same person holding the farms of more than one talooka. The several farms are sold for one year or three years, as may be most advantageous to the interests of Government. The farms are sold generally two months before the commencement of a new farm. The farmers are required to pay to Government each month certain sums to defray partly the cost of preventive establishments. They are also bound to employ private detective establishments of their own. This they always did under the guaranteed minimum revenue system, but whether they will do so under the new system remains to be seen. The new system may lead to the increased production of cheap raw toddy, and it affords opportunities for illicit distillation. A tapper who cannot dispose of his surplus toddy might take to distilling it: the distillation of raw toddy is very easy.

The extra-percentage system was to be on its trial to 31st July 1888. During the first three months the consumption of liquor fell as compared with the corresponding periods of the last three years. But local and temporary causes have been in operation, so that it is difficult to say how much, if any, of the decrease should be ascribed to the new system. For instance (1) in the last months of the previous contract the late farmers, in order to avoid the confiscation of their surplus stocks, cleared them at reduced prices, so that the sales in subsequent months would necessarily diminish; (2) the toddy distilleries in many of the talookas were not ready until February and March, so that toddy spirit was not available for sale throughout the whole period; (3) under the previous system the farmers did not invariably charge maximum prices: under the new system they have done so: sales have therefore naturally fallen to some extent; (4) toddy spirit, having to pay the same still-head duty as mowra spirit, becomes in fact 6 annas a gallon of 25° U. P. dearer, whereas it was before sold cheaper than mowra spirit. The diminished sales of toddy have not been made up by increased sales of mowra spirit. The general result is that now, in Thana and Kolaba, the farmer of the right of sale of both mowra and toddy spirit has no responsibility attaching to him. He need not sell a drop of spirit, as he guarantees nothing to Government, and he does not care whether illicit distillation goes on or not; in fact he might connive with illicit distillers. The change of system is the outcome of the discussions ensuing on the wish of the Department to levy still-head duty on toddy spirit in the island of Bombay. Whereas formerly one farmer had the whole raw toddy and toddy spirit in his hands, there are now any number of tappers and licensed distillers and booth and shop-keepers.

15. **The Outstill and lump-sum Farming System.**—In Ratnagiri and in the coast talookas (Honawar, Coompta, Ancola, Karwar) of Kanara, a modified outstill system is in force. No mowra spirit is consumed there: only toddy spirit. This is owing to the exceedingly low rate of duty in the shape of tree-tapping-tax which can be levied on toddy spirit in this area. In former years the country-liquor revenue was raised in these districts by letting out annually in farm the privileges of tapping trees, and drawing, distilling and selling toddy and toddy spirit. In 1877-78, a low rate of tree-tax (subsequently increased) was levied in Ratnagiri and in 1880-81 in Kanara. The Abkari arrangements of these districts were revised in the direction of separating the privilege of tree-tapping for toddy from that of distilling toddy spirit. According to the present system, the farmers pay for one or two talookas together a lump-sum for the right, sold by auction, of manufacture and sale of toddy spirit, as well as for the sale

of raw toddy. No still-head duty is paid. The farmers are allowed to put up stills at convenient places in each talooka for the manufacture of spirits; the number of stills and of shops is restricted as far as possible. They also pay tree tax on the number of trees tapped. They distil the toddy spirit, at one or two stills allowed for each talooka, of regulated strengths (25° and 60° U.P.), and sell it at or below maximum prices fixed by Government; the dilution or adulteration of the raw toddy or the toddy spirit is prohibited: the shops are to be kept supplied with liquor; accounts and statistics of issue are to be kept; the number of shops is fixed by the Commissioner of Abkari; the outturn is noted in registers by a Sub-Inspector (on Rs. 15 or Rs. 20) resident at the still.

In the coast talookas of the Kanara district the country-spirit farmers also guarantee to tap and pay tax on a minimum number of trees.

Reforms have not yet been introduced in these districts chiefly because of the propinquity of Goa, and of the fact that the action of Government is impeded by the provisions of the Anglo-Portuguese treaty.

In the talookas of Kanara, which are above the ghâts, the modified outstill system prevails, except in the talooka of Halyal, which is under the central distillery system, as already stated. In these talookas spirit manufactured from jagri and hewra bark is consumed. The spirit farmer does not possess the monopoly of selling raw toddy. The privilege of drawing and selling toddy is sold to separate farmers, who guarantee a minimum revenue from tree-tax. A maximum price is fixed for the sale of toddy. It is proposed soon to place the above ghât talookas under the central distillery system with the Halyal talooka.

In the Dohad and Jhalod talookas of the Panch Mehals, the primitive outstill system is in force. The farmer obtains by auction his right of sale; there is no check on the strength of the liquor or on the selling prices, or on the outturn; no accounts are kept; the farmer probably sublets his shops; the number of shops is fixed by the Abkari Commissioner. This primitive system obtains in these talookas, because they are some of the poorest and wildest parts of the Bombay Presidency, inhabited by rude tribes, separated from other British territory, and surrounded by Native States in which the conditions are similar.

16. **Comparative Merits and Demerits of (1) the Guaranteed Minimum Revenue system, and (2) the System of an Extra-percentage on the Still-head Duty.**—It will be well at this point to endeavour to weigh the merits of the system which is chiefly in force throughout the Presidency with those of the experimental system now on trial in a portion of it.

Firstly.—In the case of the guaranteed minimum revenue system, its merits are—

(1) the revenue is secured;
(2) the sympathy of the farmer is with Government in respect of stopping illicit distillation and smuggling (this operates certainly until the farmer has sold enough liquor to cover his guarantee);
(3) the farmer maintains an additional private detective establishment besides that maintained by the Department.

(A) On the other hand, it is alleged that there is a risk of the farmer unduly stimulating consumption and sales, *i.e.*, trying to make the people consume more than they really want, so as to cover his guarantee. (This risk would only operate where the farmer has offered *too high* a guaranteed minimum revenue.)

(B) Again, the farmer, it is said, may secretly sublet his farm and thus evade his obligations in respect of the preventive establishments.

(C) As to (1), it is said that the revenue is not less secure under other systems, such as, *e.g.*, the Madras free-supply system: that the guarantee only secures a minimum revenue, and must retard development, as it must be fixed low: that the guarantee is regarded as the standard, and therefore the full value of the farm is not obtained.

If these views are correct, they appear to supply the best answer to the allegation that this system encourages the farmer to push sales.

(D) As to (2), it is suggested that the farmer is not precluded from making terms with illicit distillers and smugglers: it might be worth his while to pay up

any deficiency rather than try to work wild and jungly tracts, levying contributions from those engaged in illicit practices to cover his loss. A low guarantee may fail to secure an identity of interest between the farmer and Government. The best comment on this is the fact that in Bombay the farmers do co-operate to stop illicit practices.

(E) As to (3), it is pointed out that the farmer will reduce his tender to the extent of the cost of the establishment.

This criticism appears to involve a confusion between the ideas of tendering a lump sum and of what the farmer actually guarantees.

(*a*) On behalf of this system, it is replied that there is no force in the argument (A) as an objection to this system specially, and that the risk of a farmer unduly stimulating consumption and sales is just as likely to occur under any other system, *e.g.*, when a man obtains a shop license at a high fee which he must cover by extending his sales. Practically, it is asserted, the only way in which sales can be stimulated by a farmer is by the sale of good liquor at cheap rates; the still-head duty, central distillery, guaranteed minimum revenue system provides an effective safeguard against the undue cheapening of liquor, *as it enforces the payment by the farmer* of still-head duty at a fixed rate on each gallon of liquor passed into consumption; and if liquor is being sold anywhere at unduly cheap rates, the evil may be remedied at once by raising the rate of still-head duty. The farmer cannot sell without loss at any rate that does not completely cover the cost of manufacture and bringing the liquor to sale *plus* still-head duty.

Again, the new condition in the licenses by which manufacture can, under certain circumstances, be restricted in the closing months of a farm is relied upon to prevent a farmer from pushing sales by cheapening prices to make up his guarantee. If he pushes sales at the commencement of his contract, he does so on ordinary trade principles as he would do under any system.

Again, the guarantee must be based on the ascertained average consumption of past years. No farmer would dare to guarantee a minimum revenue based on the expectation of greatly extending his sales, as he would have to overcome several restrictions (closing of shops, stoppage of manufacture, &c., &c.) and run great risks of seasons, change of taste, temperance movement, &c., &c.

(*b*) The subletting of a farm is prohibited by the license conditions: it is not difficult to enforce them, and they have in fact been enforced.

Secondly.—In the case of the extra-percentage system, the farmer has no cause to apprehend a loss should the sales fall off (as he has guaranteed no minimum revenue); there is no obligation on him to push the sales up to a fixed minimum amount; if he is content with a small profit, there is nothing to compel him to increase his sales. Government, by increasing the still-head duty to its highest auction limit, eliminates the middleman as completely as possible.

To this it is replied that, by the competition in tendering for the extra-percentage rate, a very small margin of profit is left to the farmer, so that, the profit on each gallon being small, it will be his aim to push sales in order to reap a larger profit. An acknowledged disadvantage of this system is that the farmer's sympathy is not with Government in respect of checking illicit distillation and smuggling. He himself would be benefited by procuring and selling illicit liquor. (This objection to the system will hold good in every case.) Again no revenue is assured to Government. The farmer has no license fee to pay for the privilege of sale, and his sales of liquor may be little or *nil*.

On the whole, it appears that there is no absolute answer to the allegation that the guaranteed minimum revenue system encourages the farmer to push his sales to cover his guarantee, but in practice, considering all the circumstances under which the guarantee is made and the working of the system, there is no real force in this objection. The consumption should be carefully watched and checked, if necessary, by a further enhancement of duty and raising of the maximum price of sale of spirit.

17. **Khandesh.**—This district is of special interest with respect to the changes introduced into its Abkari administration of late years. Its area is 9,944 square miles, with a population of 1,237,231 persons, giving an average of 124 to the square mile. Its western portion is very jungly and backward.

Prior to 1884 the primitive outstill system was in force. Under it talooka farms were sold for lump sum payments, no restriction as regards the strength or price of spirits being imposed; no supervision of the amount of liquor distilled was kept up; no returns or accounts were required; there was no Abkari establishment at all; the revenue establishments were supposed to exercise supervision, but in fact did little or nothing; the number of shops was fixed by the Abkari Department.

On the 1st August 1884, a modified outstill system was introduced. Under it, one distillery was established in each talooka, in which the farmer distilled his spirits, of regulated strength, under the supervision of a Karkun (on Rs. 20) who noted the outturn and the issue in a register. The spirit was sold at or below the maximum price fixed by the Department, which varied according to local circumstances. The number of shops was fixed by the Department, but there was no check against consumption as there was no still-head duty. The farmer could, and did, reduce the retail price of spirit and flood the country with cheap liquor; no satisfactory check on the outturn could be kept; no minimum price was ever enforced; it was considered impracticable to attempt it, as the public, it was anticipated, would not co-operate.

Since the 1st January 1888, the guaranteed minimum revenue system has been introduced throughout the district. There are difficulties in the transport of liquor owing to the absence of good roads and the distances it has to be carried. In the more advanced part of the district, the still-head duty is Rs. 2 per gallon of 25° U.P. and Re. 1-0 for 60° U.P. In the direction of the Baroda and Bhil countries, the still-head duty is 12 annas per gallon of 25° U.P. and 6 annas for 60° U.P. Where the still-head duty is Rs. 2 per gallon, the maximum selling prices are Rs. 3-8 and Rs. 2 per gallon of 25° and 60° U.P. respectively. The maximum price in the Bhil country is Rs. $\frac{2\text{-}4}{1\text{-}6}$ per gallon of $\frac{25°}{60°}$ U.P.

The guaranteed minimum revenue system has been introduced into Khandesh now chiefly in consequence of the arrangements recently concluded with Baroda and other Native States for the introduction of the above system into parts of their territories and an assimilation generally of the strength and prices of spirit.

It may be here mentioned also that the three talookas (Godra, Halol and Khalol) of the Panch Mehals into which the guaranteed minimum revenue central distillery system was introduced from 1st August 1886 are as backward and as jungly as the western portion of Khandesh. The still-head duty there amounts to annas $\frac{12}{6}$ per gallon of $\frac{25°}{60°}$ U.P. spirit.

18. **Sind.**—Up to the beginning of the year 1887-88 the farming system, as described in paragraph 9 above, was in force throughout the province of Sind. Since August 1887 that system has been discarded. Public distilleries have been established at Kotri and Sukkur, and still-head duty is levied on the liquor manufactured therein at the rates mentioned in the margin. In Kurrachi and all the principal towns and in certain rural tracts also, as will be seen from the third part of the map of the Presidency, separate shop licenses are issued, as in the town of Bombay. For the shops in Thar and Parkar the rates of still-head duty were reduced by 3 annas a gallon in each case on account of the long road carriage between the district and the nearest distillery. The sale of liquor in the rest of the province is farmed out in small farms on the guaranteed minimum revenue system described in paragraph 13 above. Farmers and licensed shop-keepers in Sind supply themselves with liquor—

Rupees 4 per gallon for liquor exceeding 22° U. P. and not exceeding L.-P.; Rs. 3 per gallon for liquor not exceeding 22° U. P. and not less than 25° U. P.

(1) from the public distilleries at Kotri and Sukkur; or
(2) by importation from distilleries outside the province on payment of still-head duty at the rates prescribed for the Kotri and Sukkur distilleries.

The kind of spirit most in vogue in Sind is that made from molasses, but recently mowra spirit has been largely imported from Uran into Kurrachi and is gradually driving out of consumption the dearer and inferior kinds of molasses spirit locally made. There is a considerable demand in Sind for spirit highly flavoured with spices and other ingredients. Many families have their own recipes for the manufacture of these liquors, and themselves supply ingredients which the licensed distillers in the public distilleries work up for them. This system is not working well in Sind, as the local licensed distillers have combined and formed a ring to keep up the price of liquor at rates which the retailers can scarcely afford to pay. The competition of mowra spirit from Uran with the inferior kinds of molasses spirit locally made has had some effect lately in reducing the distillery prices of the latter, but it has not been found possible as yet to obtain supplies of the superior kinds of flavoured spirit from any distilleries outside Sind. The Bombay system of removal and transport permits is now in force in Sind.

19. **Toddy spirit.**—Allusion has already been made to the complications which arise from the competition of mowra spirit and toddy spirit in the same district. It is not necessary to dwell further on the subject of mowra spirit with reference to this point, but the taxation of toddy spirit is again further involved by the fact of the raw material, *i.e.*, the toddy juice in its fermented state, also being an article subject to the Abkari Act. A fuller account of the taxation of toddy spirit in the Bombay Presidency is required to make the subject clear. In Bengal, where spirit is not made from toddy, similar difficulties do not occur.

For many years in the town and island of Bombay a tree-tapping tax only was levied, and the tappers were allowed to manufacture spirits from the juice at their houses or in the plantations. In the absence of control they manufactured at a high strength, and the spirit competed on unfair terms with the duty-paid mowra spirit from Uran, which yielded a much larger revenue. On the other hand, there was no practical way of stopping the distillation of toddy spirit. The tree-tax rate was raised, and a limit placed on the number of stills, and eventually two enclosures at Chaupati and Dadar were built, and the toddy distillers were required to set up their stills therein. In the four years from 1877-78 to 1881-82, 500 toddy stills in Bombay and 4,000 similar stills in Thana were concentrated within these two toddy distilleries in Bombay and 14 in Thana. While the hundreds of stills were busily at work in all parts of the last-named district, it was a rare sight to find a thoroughly sober man after dark on any evening in any village on the sea coast, where toddy trees are most abundant. In this district great difficulties were encountered before 1878, owing to the low rate of taxation of liquor, through which the district had become notorious for the general drunkenness of the lower classes. The "buddene", or land-assessment on toddy-producing trees, was divested of all the Abkari privileges which its payment was supposed to confer, and an Abkari tree-tax was substituted and enhanced. This produced a marked improvement in the habits of the people, the higher prices compelling them to abstain from the excessive consumption to which under a lax system they had been addicted. Difficulties were also experienced in Kolaba, Ratnagiri, and Kanara. In all these districts, wherever distillation was permitted, it was covered by the tree-tax rate. No still-head duty was imposed on the spirit until the year 1884.

The manufacture and sale of toddy spirit are now permitted in the town and island of Bombay, in the coast talookas of the Thana district, in the Panwell talooka and in a portion of the Aibag talooka of the Kolaba Collectorate, while similar spirit is used exclusively in the Ratnagiri district and in the coast talookas of Kanara. Although it is a general principle of excise in European countries that all kinds of home-made spirits should be taxed at uniform rates of duty according to their alcoholic strengths, and although this principle has been acted upon in the Bombay Presidency with respect to liquor manufactured at distilleries from materials other than toddy, still an exception has been made in practice to the general principle with regard to spirit distilled from toddy. This distinction appears to have been made in consequence of the difficulties in the way of concentrating the manufacture of toddy spirit in a few places, and the great expense of subjecting it to still-head duty. In the Abkari annual report for 1882-83 the following passage occurs:—"Toddy spirit must be made close to the places in which toddy-producing trees grow, as the state of vinous fermentation in toddy lasts for but a very short period. Acetous fermentation supervenes usually within 12 hours after toddy has been drawn, and even more quickly in the hot season, when the toddy palms are most productive of sap, and very soon after that kind of fermentation has set in toddy becomes useless for distillation purposes. It will not therefore bear carriage to any distance. A large and expensive establishment is required at each still-head duty distillery to supervise manufacture, keep accounts, and collect duty, so that the number of such distilleries must necessarily be limited, and thus it has happened that the plan of charging fees at fixed rates on trees tapped for the extraction of toddy has been adopted, instead of levying still-head duty on the spirit after it has been made. This plan possesses the additional advantage of taxing toddy used in its raw state, as well as spirit distilled from it." It will be shown hereafter how the still-head duty on toddy spirit came to be levied. The annual reports show that for a long time there was a great want of knowledge, both as regards the intoxicating properties of toddy and the quantities of spirit that can be extracted from the toddy yield of an average tree. It was often asserted that toddy is a harmless and nutritious beverage, a kind of food rather than an intoxicant, and many experienced officers opposed the levy of even a low tax on toddy trees. In theory, the tree-tax was supposed to be regulated in such a manner that the tax levied on each tree tapped corresponded with the amount of still-head duty that would be leviable on the quantity of spirit that could be made from the toddy yielded by the tree, if it were subjected to still-head duty. But in practice this result has not been attained. Some years ago the Abkari Department set forth the information which it had obtained by observations extending over a series of years as to the average toddy yield of different kinds of toddy-producing trees in different districts, and as to the average quantity of spirit that can be distilled from the toddy produced by each kind of palm tree, as well as regarding the alcoholic strength of different kinds of toddy at different periods after its extraction. The statistics gathered were for the town and island of Bombay only; elsewhere, though the tree-tax was paid, no register was kept by Government officers of the quantities of toddy put into the stills or of the spirit made. No reliance could be placed on the accounts rendered by the farmers. It was ascertained that an average cocoanut or brab palm in Bombay produced 94·5 gallons of toddy a year, giving a spirit yield of 14·1 gallons of 25° U. P.; in other words, 6·7 gallons of toddy were found to be required to manufacture one gallon of spirit of strength 25° U. P. In 1883-84 it was reported that 111 gallons of toddy were drawn from each cocoanut and brab tree tapped, giving an average produce of nearly 15 gallons of spirit 25° U. P. to each tree. In Thana it was found that the farmers had stipulated with the *bhandaris* to draw a minimum of 8 maunds or 96 gallons per tree per annum. On the whole, the Abkari Department considered it safe to base the taxation of cocoanut and brab palm for Abkari revenue purposes on the assumption that each tree tapped would produce in each year 96 gallons of toddy which might be distilled into 13 gallons of spirit of strength 25° U. P.; this estimate was considered to be rather under than over the mark in the Bombay Presidency generally. Thus each rupee of tree tax levied on cocoanut and brab trees tapped would be equivalent in its incidence on the toddy spirit produced to a still-head duty rate of one anna and three pies per gallon of strength 25° U. P.

The toddy drawn from date palms and wild palms (*i.e.*, the bastard sago palms) and a few other kinds is seldom distilled, but generally drunk in its raw state.

The following table was drawn up to show how disproportionate were the rates of tax on toddy spirit compared with that imposed on mowra spirit of equal strength in different parts of the Presidency:—

District.	Tract.	Rates of still-head duty on mowra spirit, 25° U. P. per gallon.	Rate of tree tax per tree per annum.			Equivalent in still-head duty per gallon of spirit, 25° U. P. of the tax on cocoanut and brab trees.
			Cocoanut.	Brab.	Date and other plam trees.	
		Rs. A. P.	Rs.	Rs.	Rs.	Rs. A. P.
Bombay ...	Town and island of, ...	2 4 0	18	18	6	1 6 6
Thana ...	Salsette talooka ...	1 12 0	14	12	5	1 0 3
Do. ...	Panwell ditto ...	1 12 0	14	12	4	1 0 3
Do. ...	Bassein ditto ...	1 12 0	10	10	3	0 12 6
Do. ...	Mahim ditto ...	1 12 0	7	7	2¼	0 8 9
Do. ...	Dahanu Subha ...	1 12 0	5	5	2	0 6 3
Do. ...	Umbergaum Petta ...	1 8 0	3	3	1½	0 3 9
Kolaba ...	*Bagayat* villages of Alibag talooka.	1 12 0	9	9	3	0 11 3
Ratnagiri ...	Whole district ...	None.	4	4	2	0 5 0
Kanara ...	Seacoast talookas ...	None.	3	3	1½	0 3 9

It was reported to Government that the owners of the toddy-producing trees in those parts of the Bombay Presidency in which both toddy spirit and mowra spirit are used had taken advantage of the circumstance that the Government tax on toddy spirit was lower than that imposed on mowra spirit to charge high rents for the use of such of their trees as they leased to toddy-drawers. Thus in Bombay (where the tree-tax rate was Rs. 18) the average rent paid by *bhandaris* for trees leased to them for tapping was Rs. 7 per tree, although the rents obtainable for cocoanut trees leased for fruiting did not average more than Rs. 2 per tree. The high rates of the tree-tax lately levied had greatly diminished the number of trees tapped, and thereby affected the incomes of the owners of toddy-producing trees. It was to this cause that the Abkari Department attributed the loud complaints which had arisen in the Konkan against the rates of tree tax and the new Abkari arrangements, although no complaints had been received from other parts of the Presidency against the increased taxation lately imposed on other kinds of spirituous liquor. The proprietors of cocoanut and brab trees, who form a wealthy and influential class, specially in Bombay and its neighbourhood, having been able to obtain high rents for their trees when tapped for the extraction of toddy, did their best to oppose the efforts of the Abkari Department to obtain a portion of those profits for the Abkari revenue. The levy of a still-head duty on toddy spirit, instead of a tree-tax, was recommended by a Committee in 1877, but it was not immediately adopted. Instead, the number of palm trees entitling the licensee to set up a still was gradually raised, so that the number of stills was greatly diminished, and the manufacture of toddy spirit was concentrated in Bombay in the Dadar and Chaupati distilleries in 1879. In February 1884 the Abkari Commissioner proposed to increase the rate of still-head duty on mowra spirit from Rs. 2 to Rs. 2-12 per gallon of strength 25° U. P., and to impose a still-head duty of Rs. 2-6 per gallon no toddy spirit of similar strength, the amount recovered from the tappers on account of tree-tax being given credit for in the payment of the still-head duty due on the toddy spirit manufactured by them. The arguments need not be set forth at length. The general object was, by the levy of still-head duty to raise the taxation on toddy spirit to about the same level as that on mowra spirit, there being no reason why different sorts of spirits should be taxed at different rates. It was fully anticipated that the measure would be strongly and noisily opposed by the landed proprietors of Bombay and its neighbourhood.

The Commissioner's proposal was sanctioned by the Local Government. The increased rate of still-head duty on mowra spirit came into force on the 1st of June 1884, and the new system of taxing toddy spirit was intended to take effect from the 1st of August following; but, as anticipated, the measure was strongly opposed by the land-owners and the *bhandaris;* the latter as a body refused to take out any tapping licenses for the year 1884-85. The natural result was that, though very little toddy spirit was manufactured, the importation of mowra spirit from Uran into Bombay increased; the total quantity of country spirit placed on sale was diminished by 150,000 gallons, while the Abkari revenue in 1884-85 increased by above two lakhs of rupees. During the year 1885-86 also very little toddy spirit was, owing to this strike, manufactured in Bombay; but after the orders of Government were passed on the report of the Bombay Abkari Commission—the effect of which was to place the rate of taxation levied on toddy spirit considerably below that levied on mowra spirit—the manufacture of toddy spirit was resumed by the Bombay distillers, so that the sales of toddy spirit increased, while those of mowra spirit decreased, considerably in the year 1886-87. The Abkari Commission above mentioned was appointed in July 1885 to investigate the complaints made against the Department, and among the points referred to them were the alleged grievances of the land owners and *bhandaris* of Bombay and the adjacent districts. In March 1886 the Local Government, on the report of the Abkari Commission, decided that (1) the excise duty on toddy spirit consumed in Bombay should be maintained at Rs. 2-6 per gallon of strength 25° U. P., and the import of duty-paid toddy spirit produced outside the island permitted; (2) that the tax on trees tapped for the sale of raw toddy should be Rs. 10 on each cocoanut and brab tree, and Rs. 5 on each date tree (it was observed by Government that these rates represented approximately a duty of one rupee per gallon of spirit of strength 25° U. P.); (3) that a rule, which required that all toddy drawn from cocoanut and brab palms, except the limited quantity allowed to the owners of trees for their private consumption, should be taken to the distilleries for manufacture into spirit, should be withdrawn. The rest of the orders of Government on the Abkari Commission's report have no special bearing on the question of the taxation of toddy spirit. It must be observed that mowra spirit imported into Bombay has to pay a municipal octroi duty of four annas a gallon. Although the rate of duty on toddy spirit is thus less by ten annas a gallon than that (viz. Rs. 2-12 per gallon of 25° U. P.) on mowra spirit, still the toddy spirit manufactured in Bombay cannot compete with mowra spirit: the cost of manufacturing toddy spirit is greater than the cost of manufacturing mowra spirit; also the great majority of consumers prefer mowra to toddy spirit. The Commission reported that many of the poorer classes of Bombay prefer toddy spirit. The object of Government in fixing the rate of duty at Rs. 2-6 per gallon was to enable the classes in Bombay, who preferred toddy spirit, to obtain it at about the same price as that of mowra spirit. The changes introduced in the Thana and Kolaba districts for the same purpose of making toddy spirit and toddy more easily available have been already described. In the Ratnagiri and Kanara districts toddy spirit is treated under the outstill system as shown in paragraph 15.

20. **The Supply of raw Toddy.**—In the preceding paragraphs the systems described relate almost entirely to the supply of country-spirit throughout the Presidency. The subject of raw toddy has only been mentioned in connection with the districts of Bombay, Thana, Kolaba, Ratnagiri, and Kanara. The arrangements in force in the remaining districts will now be stated.

The revenue from raw toddy is levied in the shape of a tax on the trees tapped, and of license fees for the privilege of selling toddy. The general principle is that, where toddy is consumed in its raw state only, and is not distilled, the rates of tree tax are comparatively low, while higher rates are levied in districts where spirit is manufactured from toddy. The rates of tree-tax in force in all the districts are shown in a separate statement in Appendix IV. The fermented toddy consumed in the Presidency is about as strong as London porter, *i.e.*, it contains between 5° and 10° of spirit.

No toddy-producing tree may be tapped until it has been marked and numbered. This is done by the Abkari Department in the town and island of Bombay, and by the village officers, Patels and Kulkarnis, acting for the Department, in the mofussil. Registers are kept of the number and situation of the trees to be tapped.

In the Panch Mehals toddy is not subject to any control, and very little is used.

In Kaira there are very few trees and they are in *inami* villages, and under the special sanction of Government are allowed to be tapped at 8 annas per tree.

In Khandesh and Satara there are not many toddy trees. The Collectors are authorised at their discretion to grant tapping licenses to owners of trees or others at one rupee per tree. If shops are set up for the sale of toddy, a license fee of Rs. 15 a year is required.

In the districts of Ahmedabad, Nasik, Sholapore, Satara, Bijapore, Dharwar, and Belgaum, the privilege of selling toddy at the tree-foot and at shops (to be supplied with unadulterated and undiluted juice direct from the tree) is farmed to one individual, or to individuals, for each specified tract, if sold talookwar. The farmer guarantees a minimum revenue from the tax, *i.e.*, if the amount of tree tax leviable on the trees which he taps be less than the minimum guaranteed, he has to make up the difference by a cash payment. The toddy may not be sold at the tree-foot or at any shop at prices exceeding 1⅓ annas for 8 drams, *i.e.*, a quart bottle. The number of shops is limited by the Collector. In Bijapore and Sholapore, the produce from local trees being insufficient to meet the demand, the farmers are allowed to bring in toddy from the Nizam's Territory. They pay nothing extra for this privilege beyond the minimum revenue guaranteed.

In none of the remaining districts is the right to sell toddy farmed out: licenses are granted for tapping trees and selling toddy either at the tree-foot or at licensed shops. No license fees are paid for the tree-foot-sales:

the license fee for the shops is Rs. 10 or Rs. 20 per 25 trees and per multiple of 25 trees, 25 being the minimum number which the licensee is bound to tap. The number of shops is settled by the Collector.

In the city of Surat the shops are allowed on payment of fees fixed by the Department once for all. In the talookas of Surat outside the head-quarters town, and in the Poona district, the good-will of a shop is sold by auction. A special concession has been granted by Government to the Kaliparaj (aboriginal tribes) of certain talookas of Surat, who are allowed, on payment of a small fee, to tap trees in their own holdings, and to draw toddy for domestic consumption, but not for sale. A special concession is also granted in the Surat district for tapping trees and manufacturing vinegar from the toddy produced, the tree tax for that purpose being fixed at a lower rate.

Much of the unpopularity of the Abkari Department in the Presidency is attributable to the complaints which are made about the price of raw toddy. It is urged by public writers that toddy should be made as cheap as possible. The Department meet this contention by saying that toddy is already as cheap as it should be, viz., 9 pies to 12 pies per bottle, *i.e.*, 8 drams. To this it is replied that although Government fix the maximum price so low as one anna for 8 drams, the retailers cannot practically, under existing circumstances, retail toddy so cheaply without loss to themselves: they must either, it is said, dilute the toddy or charge more than the authorised price: so that the object of Government in fixing the maximum price is frustrated. So the question stands. The Department have no wish to suppress the consumption of toddy. But the question is not so simple as it would appear to be at first sight. Not a few officers of experience attribute the alleged increase of drinking and drunkenness to the facilities afforded to the lower classes of obtaining cheap toddy. It is, moreover, inconsistent with sound Abkari principles to allow the taxation of one kind of spirit at lower rates than other spirit of the same alcoholic strength. Mention has been made elsewhere of the danger of illicit distillation which arises when both raw toddy and toddy spirit are in demand, and especially when materials are at hand for the production of the former in abundance as they are in certain parts of the country.

21. **Distilleries—(1) Public and (2) Central.**—It will have been noticed that the distilleries referred to in the preceding paragraphs are sometimes spoken of as "public," sometimes as "central." These terms require further explanation. The "public" are also called "sudder" distilleries, and in some respects resemble the sudder distilleries well known in Bengal. In them no single individual holds the exclusive privilege of manufacturing liquor. Distilling licenses are granted to all approved applicants to set up their own stills in a defined portion of an enclosed space and to manufacture liquor under their license conditions. The stills are of patterns and sizes approved by the Department. In the case of mowra spirit, the apparatus and worms are generally after the European method, the Department insisting on this point. The stills for toddy spirit are generally of the native fashion. The rules for the management of the public toddy spirit distilleries in the Thana and Kolaba districts and for the regulation of the storage, removal, and transport of spirits made therein are contained in a recent notification of the Commissioner.

Public distilleries at present are situated—(1) at Uran for mowra, (2) Dadar and Chaupati in Bombay for toddy spirit, (3) one in each talooka of Thana and Kolaba, where toddy spirit is consumed.

Central distilleries are those which are located at central positions in each district, where the monopoly farmer holds the exclusive right of manufacturing liquor for the requirements of his farm. There is no printed set of rules for their management, but circular orders have been issued regarding them from time to time. At present there are some 16 central distilleries in the Presidency. In almost all cases (except Uran) the buildings of the distilleries, whether public or central, are the property of Government. In the following paragraphs three of the more important distilleries will be described more fully.

22. **The Uran Public Distilleries.**—These distilleries are situated at Mora Bunder, 2½ miles from Uran, in the island of Karanja, in the Kolaba district, on the opposite side of the Bombay harbour. They are, for purposes of executive administration, under the Collector of Salt Revenue (as is also the Bhandup distillery), who has been appointed by Government, under the Abkari Act, to be the Collector of Abkari in respect of them. There are at present

19 distilleries or enclosures, containing 47 stills at work: the distilling licenses are for a year, and are issued by the Collector of Salt Revenue on conditions approved by the Commissioner and sanctioned by Government. This connection of the Salt Department with the Uran distilleries began when the Bombay distilleries were removed in the year 1816 from that island and transferred to Uran, where the Customs and Salt Departments had (and still have) special establishments. The distillery buildings are the private property of the licensees. Quarters for the Supervisor are provided by Government close to the distilleries and are to be provided for his Assistant. There is also a separate building, called a gauging and testing shed, to which all liquor intended to be removed under permit either to Bombay, Thana, Kolaba, Kurrachi or elsewhere, is first brought for examination. The following establishment is maintained:—A Supervisor on Rs. 300 to Rs. 450, and an Assistant on Rs. 150 to Rs. 275; three gaugers on Rs. 75 to Rs. 100, Rs. 50 and Rs. 30 respectively; four clerks on Rs. 45, Rs. 30 and Rs. 20 each; one havildar on Rs. 15, three naiks on Re. 12 each, 44 peons on Rs. 8 to Rs. 10 each,—total cost Rs. 1,160 to Rs. 1,460 a month. These are all Government servants, but their cost is paid by the distillers, a charge of six pies per gallon being levied on the spirit removed. As the total sums thus charged during the year exceed the cost paid by Government, the excess is proportionately refunded to each distiller; should there be a deficiency, it would be similarly recovered. This never happens: there is generally a sum of Rs. 13,000 to Rs. 16,000 to be refunded annually. On an average the actual charge to the distillers on account of the contribution for the establishment amounts to a fee of about 4 pies per gallon. The spirit manufactured at Uran is almost entirely made from mowra flowers. Some date-rum and a little molasses spirit are also distilled there. The duty on the spirit exported to Bombay and Kurrachi is paid into the office of the Collector of the Salt Revenue at Bombay before the removal of the liquor from the distilleries; the duty on spirit sent to other districts is paid at the Collectorates concerned, and the Supervisor issues the spirit according to the instructions which he receives from the Collectors. The spirit sent to Bombay ranges from 25° U. P. to 10° U. P. in strength, but 17° to 20° U. P. is the strength usually required for Bombay. This has been fixed by custom; it has been found that this is the weakest liquor that retains a good "bead," *i.e.*, when poured out into a testing measure the bubbles remain unbroken over the whole surface of the spirit for an appreciable time; thus the native purchaser knows by experience, without the cost of scientific testing, that he has obtained at least the strength of 20° U.P. There is also a demand for flavoured liquor in Bombay; this is all made at 25° U.P. because Government has ordered that any flavoured spirit above that strength should pay Tariff and not excise rates. The spirit sent to the districts of the Presidency must all be of strength 25° or 60° U. P.; that destined for Kurrachi is either proof spirit at Rs. 4, or 22° to 25° U. P. at Rs. 3 duty per gallon. The Uran rum is treated as country liquor in respect of duty and sale.

It must be remembered that all spirit is twice distilled, except that of the strength 60° U. P. which is single distilled. Some description of the process will now be given, taking an ordinary case. A candy (*i.e.*, 10 maunds or 820 lbs.) of mowra flowers is put into a vat capable of holding from 300 to 350 gallons: this leaves a space of 15 or 16 inches deep vacant from the top of the vat; water and ghurra (*i.e.*, spent wash) are poured in in the proportion of 2 to 1 until the vat is full. Each candy of mowra flowers requires 160 gallons of water and 80 gallons of ghurra. Fermentation takes about five days, more or less according to the season. The material thus prepared is transferred to a copper still of about 400 to 420 gallons liquid capacity. The first distillation produces liquor of strength varying from 31° to 40° U. P. according to the quality of the mowra: the second distillation does not necessarily take place on the same day. The stills may be worked from sunrise to sunset; a still can be charged generally four times a day, each distillation taking about three hours. The stills ordinarily in use are of native construction, but to a certain extent after the European system; the spirit passes over from the still through a conducting tube to the copper worm or coil which is in the condensing vessel, and the end of the worm is directed from the condenser to the receiving vessel. A candy of mowra flowers, equal to 10 maunds, ordinarily produces 56 gallons of spirit of strength 35° U. P., *i.e.*, $36\frac{4}{10}$ gallons L.P. At No. 9 distillery a great improvement has been introduced. Steam is generated in two large boilers; the fermented

material is placed in a large covered vat, in which, at about 6 inches from the bottom, is a flat ring or coil into which steam is passed from the boiler: just outside the vat, in the tube connecting it with the boiler, is a regulator which shuts off or lets in steam as required: the spirit is conducted by a tube to the copper worm in the condensing vessel, as already described in the case of an ordinary still. By this process seven candies of fermented mowra flowers can be distilled at each distillation, or 1,250 gallons of single-distilled liquor can be double distilled. The cost is reduced when large quantities have to be distilled, and, as the fire does not come into contact with the vessel holding the material, a better description of liquor is produced. At No. 9 distillery there is also a European still for making spirits of wine. This still is capable of turning out in 12 hours 50 gallons of spirit of strength 55° O. P.

Each distiller has a strong room, secured by a Chubb's lock, the keys of which remain with the Supervisor: the rooms are opened at 6 A.M. and closed at 6 P.M. Each distillery is in a separate enclosure surrounded by a wall 9 feet high, with one large gateway, of which the Supervisor has the keys. A very strict watch is kept, guards patrolling day and night. Thus, though the distilleries extend three quarters of a mile in length, it is considered that smuggling is rendered impossible. All liquor must pass through the testing shed before issue. Applications are made in proper form on the day previous to issue: the strength is only tested at the time of issue. Any attempt to introduce noxious material would be immediately detected. The materials are not weighed previous to distillation by the Supervisor or his staff. When testing the liquor, a sample is taken from every third cask and evaporated over a spirit lamp; from the residue it is seen whether the liquor is obscured in strength or not. A register book of the gauges of the casks is carefully kept up; the casks are all branded in the first instance with their capacities in gallons and pints, and are all compared with the register and gauged with the diagonal rod at each issue. The importance of the Uran distilleries is shown by the fact that in 1887-88 10,73,181 gallons of spirit were issued, on which Rs. 22,93,213 of duty were collected, for Bombay, Thana, Kolaba, Janjira, and Kurrachi.

As delivered at the shops in Bombay, duty and establishment charges paid, the wholesale price of mowra spirit is Rs. 31-8 per (liquid) maund of 8 gallons at 17° to 20° U. P.; or Rs. 28 to Rs. 29 per maund at 25° U. P.

For the mofussil the wholesale price per maund of 8 gallons, delivered at Mora Bunder, duty and establishment charges to be paid by the farmers, is Rs. 3-9 to Rs. 3-10 for liquor 25° U. P. and Rs. 2-1 to Rs. 2-3 for 60° U. P.

23. **The Public Distillery at Dadar for the Distillation of Toddy Spirit.**—The Dadar distillery was opened on the 1st January 1879. Before that date distillers were allowed to set up their stills in their houses, and in the plantations where they tapped trees, so that it was impossible to control the manufacture of toddy spirit or to regulate the duty with which it should be charged.

The distillery is situated at Dadar, 7 miles from the Fort, Bombay, and is close to two railway stations, so that it is easily accessible. It is on the border of the cocoanut-tree plantations between Mahim and Worli, in which there are about 90,000 trees growing. The distillery is enclosed by a masonry wall 10 feet high, with one gateway. There are a well and a small tank from which water is obtained for distilling purposes. The distilling sheds are in two rows. The liquid toddy refuse is eventually emptied into the sea. The liquor store-rooms are apart from the distilling sheds. The distilling sheds are of the commonest description; the store-rooms are of wattle and daub structure.

The distillery is in charge of an Inspector. The monthly cost of the establishment is as follows:—

1 Inspector,	at Rs.	100	Abkari Department.
1 Gauger	"	70	
1 Sub-Inspector	"	45	
1 Ditto	"	40	
1 Ditto	"	35	
1 Peon	"	10	
1 Sweeper	"	10	
2 Head-constables, 10 Constables	"	140	Bombay Police Force.
Total ...		450	

The Inspector lives near the distillery, and is present there on week days from 6 A.M. to 10 P.M. with the exception of two or three hours. Arrangements are in force for the guarding of the distillery day and night, and for its inspection by the Abkari and Police officers. The gate is closed when the Distillery Inspector leaves at night, and kept closed till 6 o'clock next morning. None of the distillers or their servants are allowed to remain inside the distillery from 10 P.M. to 6 A.M. In general terms, the duty of the Inspector is to see that distillers conform to their license conditions and observe all rules. He also brands all casks used for removing liquor, and tests all the liquor passed out. He is responsible that the liquor passed out agrees in quantity and strength with the entries in the permits. He supervises the whole establishment employed at the distillery, and sees that the place is kept clean. Accounts are kept of the toddy brought into the distillery by the tappers for each distiller. The duty of the police guard is to prevent liquor from being smuggled out of the distillery or its consumption within the enclosure. They guard the gateway and walls and keep order on the premises.

There are at present 47 distillers at Dadar. Of these, 2 are Parsees, 32 *bhandaris* from the Ratnagiri district, and 13 Native Christians from Goa. With a few exceptions they are all poor, and sink little money in their business. Most of the distillers work in the distillery themselves; all of them, with one exception, hold tapping licenses. All the distillers, except the 2 Parsees, have a number of sub-partners, who are holders of tapping licenses. About 158 persons are employed daily in distilling operations, and about 600 in bringing toddy from the plantations. At the Dadar distillery spirit can only be made from toddy. In Bombay toddy is drawn from the cocoa, brab and date palms. No date toddy, and comparatively but very little brab toddy, is distilled. It is calculated that at present the produce of about 9,400 cocoa and brab trees is made into spirit. For the year 1886-87 the average yield of toddy of a cocoa tree was calculated as 91·7 gallons, and from this toddy 13·4 gallons of liquor of 25° U. P. strength were manufactured. Toddy, amounting to 759,659 gallons, was brought into the distillery during the year 1886-87, and 736,410 gallons for the first nine months of the current year. On each cocoa and brab palm tapped, a tree-tax of Rs. 10 is charged: Rs. 3 of the tax are paid when the license is granted, and the balance is paid in seven monthly instalments. The owner of the trees usually takes security from the tapper before leasing the trees to him. The wholesale price of toddy is as follows:—Cocoanut Rs. 2¼ to Rs. 3 per maund of 8 gallons; brab Rs. 2 per maund. Toddy is brought from the oarts or plantations by the tapper in earthen pots holding about 4½ gallons. Each pot is marked in paint with the distiller's license number, and the pot's capacity in gallons and pints. The Parsee distillers, who distil brab toddy, bring their toddy in casks on small carts drawn by a single bullock from Parel and its neighbourhood. The casks are marked like the pots. As the pots or casks are brought into the distillery, the quantity of toddy they contain is noted under the distiller's number. The total quantity brought in is posted up each morning in the account books. Toddy is brought into the distillery between the hours of 6 A.M. and 12 A.M. in the forenoon and 4 P.M. and 8 P.M. in the afternoon.

There are two kinds of stills in use at Dadar—the *hath bhatti* and the worm still: 76 *hath bhattis* and 4 worm stills have been licensed during the current year. The *hath bhattis* are used by the *bhandaris* and Native Christians, and the worm stills by the Parsee distillers. The *hath bhatti* is in three parts:—(1) a copper boiler; (2) a hollow trunk of the cocoa, ketki (the *pandanus*) or betel tree bound round with coir to connect the boiler with the receiver and condenser; and (3) the receiver and condenser which is made of copper or earth. The full capacity of the copper boiler ranges from 32 to 46 gallons, and it costs the distiller about Rs. 40. The receiver and condenser is of a capacity of about 22 gallons, and costs about Rs. 17 if made of copper and Rs. 2½ if made of clay. The *bhandaris*, as a rule, use copper receivers and condensers, and the Goanese those made of earth. For condensing purposes there is, below the frame on which the receiver and condenser stands, a small reservoir to hold water. The water from the reservoir is poured over the receiver and condenser, after running over which it falls back into the reservoir. The worm stills are small compared with those in use at Uran. The full capacities of the four at Dadar range from 39 to 80 gallons, and the cost from Rs. 400 to Rs. 600. These stills are in four parts: (1) the copper boiler, which is set up above the furnace; (2) the copper cap, which is fitted on to the boiler during distillation; (3) a copper connecting tube, and (4) the copper worm, which is fitted into a wooden tank kept filled with water.

Toddy brought into the distillery is put into barrels, tubs, and earthen jars, until fermentation is completed. From two to three days are allowed for this part of the process. When the *hath bhatti* is used, the boiler is charged with from 22 to 38 gallons of toddy according to its size. At the first distillation the distiller usually draws (according to the toddy distilled and strength of the liquor) from 6 to 13 gallons of liquor of strengths between 50° and 70° U. P. When 25° U. P. liquor (*feni*) is to be made in the *hath bhatti*, from 6 to 14 gallons of toddy with from 6 to 11 gallons of *rasi* (*i. e.* 60° U. P.) liquor, according to the size of the boiler, are put into the boiler and distilled. From 4 to 8 gallons of liquor of strengths ranging from 24° U. P. to 26° U. P. are usually drawn. Very weak liquor is subsequently drawn, and is used for reducing the strengths to the standards at which it can be passed. The Parsee distillers, who use the worm still, tap only brab palms. In the worm still 30 to 76 gallons of brab-toddy are first distilled, and from 5 to 12 gallons of liquor from 58° to 64° U. P. drawn. In the second distillation the Parsee distillers distil *rasi* liquor mixed with but a small and variable quantity of brab-toddy. From 10 gallons of toddy and 20 gallons *rasi* liquor, about 12 gallons of 25° U. P. liquor are drawn.

Toddy spirit of the strengths 25° and 60° U. P. only is allowed to be passed out of the distillery. Distillers in their store-rooms blend the liquor to these strengths. They are not allowed to reduce the strength of liquor by adding water to it; this must be done with a weaker spirit. A margin of 2° of strength is allowed when liquor is being passed out. The day before the liquor is to be passed out the distiller takes or sends his permit book to the Collector's office at the Custom House, and pays into the treasury cash at the rates of Re. 1-6 per gallon of 25° U. P. and 12 annas per gallon of 60° U. P. on the quantity of liquor that he wishes to remove. Next morning he rolls his casks, which are of a capacity from 16 to 21 gallons, into the testing shed, where the liquor is examined, and from thence it is passed between the hours of 10 A.M. and 3 P.M. if it agrees with the entries in the permit. The permit is in three parts: one part is detached in the Collector's office and sent direct to the Divisional Inspector of the Range where the shop is located to which the liquor is to be removed; the second part is completed by the Distillery Inspector, detached by him and carried with the liquor in transit to the shop where it is filed; the third part remains as a counterfoil in the permit book. All spirit removed from the distillery is examined by the inspecting officers at the shops. During the current year the wholesale prices of toddy spirit have been, for 25° U. P., Rs. 27 to Rs. 33 per maund of 8 gallons, and for 60° U. P. Rs. 13½ to Rs. 17 per maund. The retail prices have been, for 25° U. P., 12 annas per bottle, and for 60° U. P., 6 to 8 annas per bottle. It would be difficult to increase this retail price of toddy spirit of 25° U. P., as mowra spirit of a higher strength, namely, 17° or 18° U. P., is sold for 12 annas a bottle. Toddy spirit is consumed in Bombay chiefly by the Marathas from the Konkan who work as mill hands, the Kolis (fishermen), Agrias and Goanese. *Rasi* liquor is consumed largely at Worli, Sewri, Mahim, and Matoonga; it is warmed and then drunk. During the year 1886-87, 57,985 gallons of liquor 25° U. P. and 90,810 gallons of 60° U. P. were manufactured at Dadar. During the past nine months of the current year, 65,657 gallons of 25° U. P. and 81,804 gallons of 60° U. P. were passed out of the distillery.

At Dadar glass hydrometers, indicating according to Sikes, made by Casella of London, are used. No maximum or minimum prices are prescribed for toddy spirit in Bombay. The cost of the distillery last year amounted to Rs. 7,179, the still license fees to Rs. 3,295, showing a loss to Government of Rs. 3,884. By a change recently made in the license to manufacture toddy spirit, a distillery charge of nine pies per gallon is to be levied from 1st August 1888, on all liquor passed out of the distillery, irrespective of strength, and no still license fees are to be charged.

During the past two years only a few attempts to smuggle bottles of liquor out of the distillery have come to notice. No attempt to pass out a quantity of liquor has been suspected or discovered. Several cases of persons drinking in the distillery have been reported. In all cases the persons implicated were dismissed and prohibited from entering the distillery again.

24. **The Mundhwa Central Distillery.**—This distillery is situated about four miles from Poona. It was built in 1872, and supplies the districts of Poona and Ahmednagar. Only mowra spirit is manufactured there; the late farmer sometimes distilled from jagri. There is no distillation of toddy in the district. The mowra flower is obtained from the country about Jubbulpore and from Gujarat, and is stored in large quantities inside the distillery buildings. The fermentation of mowra flowers takes four or five days in the hot weather, and seven or eight days in the cold season. To prepare for the first distillation 720 lbs. of mowra flowers are put into a fermenting vat which is capable of holding 440 gallons. Ten fermenting vats are thus prepared at a time, and when fermentation has taken place, their contents are transferred by *handis* into an enormous copper still. Distillation is effected by steam from a large boiler at the back of the premises. The steam is introduced by a pipe into a coil within the copper still. The first distillation takes two hours after the admission of the steam: the alcoholic vapour passes over from the copper still by a metal "trunk" into the worm within the condenser. This is another large vat which is supplied with cold water drawn by an engine from the river Mulla-Mutla below the distillery. There are two of these large copper stills—one on each side of the condenser: they are worked on alternate days. The spirit obtained by the first distillation is of strength between 40° and 50° U. P. This is drawn off by taps and emptied into a cistern from which it is pumped up into another copper still, and there undergoes a second distillation, also under steam pressure. The refuse mowra after the first distillation is cleared out of the copper still and sold for manure. The strength of the spirit which first issues from the second distillation is above proof, but gradually diminishes to below proof, and becomes much weaker. Care is taken, by blending the earlier and later portions of the spirit obtained by the second distillation, that the casks into which the spirit is drawn should contain liquor of 25° U. P. only. The second distillation takes four or five hours. All spirit is doubly distilled before issue. Besides the stills already referred to, which are worked under steam, there are two copper stills which can be worked with wood fires, but they are seldom used. The average outturn is about 600 gallons a day of 25° U. P. Spirit is kept in store-rooms, and it is a condition of the contractor's license that he shall always have 10,000 gallons of the strength 25° U. P. in store. The distillery is in charge of an Inspector in receipt of Rs. 200 a month. There is a guard composed of one head-constable and four constables. The contractor employs about 20 men on the premises. When the present contractor entered upon his lease in August last, he had to pay Rs. 35,000 for the plant, including the boiler, engine, &c., taken over from his predecessor. The buildings belong to Government. One half of the upper story on one side of the range of buildings is inhabited by the Inspector, the other half is at the disposal of the distiller.

25. **Hydrometers and Measures.**—Since the introduction of the system of levying a still-head duty according to the alcoholic strength of spirits, the Abkari Department has supplied its officers, who have to ascertain the strength of liquor and calculate the amount of duty payable, with glass hydrometers of improved patterns, by L. Casella (Scientific instrument maker to the Admiralty, &c.), on the principles of Sikes' hydrometers. The metal instruments are not considered so trustworthy, as they are liable to be affected by the chemical action of the spirit. The country-spirit farmers are also obliged to keep a hydrometer of the approved pattern at each shop or for each group of shops conveniently situated, so that the Inspectors or purchasers of liquor may always have the means of satisfying themselves that the liquor sold at the shops is of the authorised strength. Subordinate Abkari officers were also supplied by the Department with smaller and cheaper instruments by Casella, called pocket glass hydrometers, but these have not proved satisfactory, being graduated only to a temperature of 83°, so that only the better instruments, or those by Sikes, are now recognised by the Department. Each case of Casella's hydrometers is accompanied by a thermometer and a book of tables. A trial glass for testing is separate. Casella's hydrometers are either in one part or in three or five parts. The single instrument is graduated from 60 to

90, and at all temperatures indicates the strength of spirit from 9° U. P. to 80° U. P. In the case of the instrument in three parts—they are graduated from 40 to 60, 60 to 80, 80 to 100; and indicate strengths at all temperatures from 90° U. P. to 20° O. P. The instrument in five parts has them graduated from 0 to 20, 20 to 40, 40 to 60, 60 to 80, 80 to 100, respectively, and they indicate at all temperatures the strengths of spirits from 90° U. P. to 70° O. P. The instruments, complete with thermometer and book of tables, cost, in one part, Rs. 15-8, in three parts Rs. 36-3-8, in five parts Rs. 66. The Abkari Department also supplies brass hydrometers, costing Rs. 34, by Sikes, and thermometers to each distillery. These are tested by a standard glass set of instruments by Casella and certified at Somerset House, and by a thermometer certified from Kew, which are kept at the Custom House. All instruments are supplied by the Department to its officers at Government expense, and are tested by experts before issue. They are generally obtained from the makers direct through the Secretary of State, but in cases of urgency the Local Government sanction their purchase departmentally in the Bombay market. The country spirit farmers, shop-keepers, and licensees for the sale of European liquors, who are bound to keep hydrometers of the approved patterns, have to pay for them, and on the expiry of a farm the Department take them back at cost price if sound and in good order. The in-coming farmers are bound to purchase the hydrometers of their predecessors from Government at cost price, so that there is no loss to Government.

Standard measures of 4, 2, 1, ½ gallons, a quart, a pint, a dram, and half dram are supplied by the Department from the mint to each distillery and each Collectorate, but not to the shops. The measures in use at the shops are tested from these standard measures. It has been directed that spirits shall be sold only by the dram measure (48 drams to a gallon, and 8 to a bottle) and not by the bottle; that is a dram, and not a bottle, is the standard measure for retail sale.

26. **Maximum Price.**—The maximum prices of country spirit throughout the Presidency will be found in Appendix V. Whenever it is thought desirable on grounds of policy (such as to check the power of a monopolist) to fix a maximum retail price for the sale of liquor, the important point is to consider what the people of the locality can afford to pay. The case of the Poona district may be taken as an illustration. In 1878 (before the changes effected by the Act of that year) the usual price of 25° U.P. spirit in Poona was ascertained by enquiry to be 12 annas per quart bottle, equal to Rs. 4-8 per gallon. This was then taken to be the standard maximum price in the Poona district, the object being not to enhance prices at first. The still-head duty was then fixed at Rs. 2-8 per gallon 25° U.P. Thus a margin of Rs. 2 per gallon was left to the contractor for the cost of manufacture, &c., regarding which no accurate information was then available. The cost of manufacture and distribution was roughly calculated at Re. 1-4 per gallon, thus leaving a profit of 12 annas per gallon. Subsequently, by improved organisation of the central distillery system, the Department came to be in a position to state the cost of manufacture to be 8 annas a gallon. Adding to this the cost of distribution and establishment, it was found that the farmer would have an ample margin of profit if the still-head duty were raised from Rs. 2-8 to Rs. 3. It has since been raised to Rs. 3-2 per gallon 25° U.P. The maximum price at which the contractor is allowed to sell remains fixed at Rs. 4-8 per gallon. Thus Rs. 4-8 *minus* Rs. 3-2 *minus* the farmer's actual expenditure on all accounts represents his profit per gallon. When the rate of duty was Rs. 3 per gallon of 25° U.P. spirit (which was equivalent to a duty of Rs. 4 per gallon on spirit of proof strength) the orders of the Government of India (that the rates of duty on country spirits should be raised to those on imported spirits) had been fully attained. The increase of the Tariff rate of duty on imported spirits, in February 1887, now allows a further margin for the increase of duty on country-spirits. The Department by raising still-head duty aim at regulating the farmer's profit so as to secure to Government its fair share of revenue. It is thought that a margin of Re. 1-4 per gallon between the still-head duty rate and the maximum selling price allowed is not wide enough to ensure to the farmer a sufficiency of profit, except in the case of the largest farms, and that ordinarily the margin allowed should be about Re. 1-8 per gallon. The

still-head duty which regulates the minimum price is fixed according to the circumstances of the people and the geographical situation. In Poona, Belgaum, Ahmednagar, Satara, Sholapore, Bijapore, Dharwar, the maximum price which the contractor is allowed to charge is Rs. 4-8 per gallon, *i.e.*, 12 annas a reputed quart bottle. The maximum price is enforced by conditions inserted in the license; prices are regulated as between districts by raising or lowering the still-head duty. As already stated in paragraph 10 above, the maximum retail price for liquor is settled by Government avowedly in the interests of the consumer to protect him from the power which a monopolist supplier of liquor would otherwise possess of enhancing the prices to an exorbitant height. It is also important as a means of preventing illicit distillation which would inevitably break out if the monopolist farmer were able to run up his prices very high.

The illustration above given of the fixing of the maximum price in the Poona district shows what was done when the new system was first being introduced. The Department would now work upwards from other details to a maximum price: thus it would first be settled that the still-head duty is to be x rupees per gallon, and that the farmer is to be allowed y rupees profit per gallon. It has after some years' labour been ascertained that the cost of manufacture and bringing to sale of a gallon of mowra spirit at 25° U.P. ranges between 15 and 17 annas. Thus a maximum price would be fixed at Rs. $(x + y)$ + 15 to 17 annas.

27. **Minimum Price.**—No minimum price is in force in Bombay, *i.e.*, no license conditions compel a farmer to issue liquor at above a certain minimum price. Still-head duty naturally operates as a minimum price, but there is nothing to prevent a farmer from selling at a loss below the rate of the still-haed duty if he likes. The question of a minimum price was discussed in the Bombay Presidency between the Department and the local Government in 1887. The question arose in the following manner. In Ahmedabad, Broach, and Kaira the farms, sold for three years from 1st August 1884, were about to terminate. Through want of co-operation between the neighbouring Native States and those districts, the farmers in British territory were losing considerably, being undersold by the liquor from the Native States. The farmers thus had on their hands large stocks of liquor which could not be cleared at the ordinary prices before the end of their contracts; and, as unsold stocks were according to the licenses to lapse to Government, the farmers reduced their prices to very low rates to undersell the Native States' liquor. Complaints arose from the Revenue and Police Departments of the increase of drunkenness. This state of affairs could not be remedied during the currency of the triennial contracts: the Abkari Department could not interfere. The Commissioner managed, however, by the following arrangements to prevent the issue of great quantities of cheap liquor in the latter months of the contracts. It happened that the negotiations with the Native States adjacent to Ahmedabad and Broach were not complete, so that the Ahmedabad, Broach, and Kaira farms, which were held by the same person, had to be renewed to the same farmer for five months. On the renewal it was made a condition that he should not sell his liquor under the *old* contract below a certain minimum (about 4 annas less than the maximum) price in the interior, and not less than the price current in the Native States on the frontier. This only lasted till 1st January 1888.

The Commissioner, about April 1887, brought this matter to the notice of Government, and recommended that to guard against a recurrence of the difficulty a condition should be inserted in the new contract, binding the contractor not to sell below a certain minimum price. He suggested that the still-head duty would be a fair minimum. Further consideration showed the difficulty of enforcing such a condition, as the sympathies of the people would always be with the farmer, so that it would be undesirable to have a rule which would be inoperative. The Commissioner proposed another remedy, already alluded to in paragraph 16, to prevent the farmer from reducing his prices towards the close of his farm. This was accepted and is now in force generally. By it a farmer is obliged to stop or restrict manufacture in the last four months of the contract if the Collector so orders, on seeing that the stocks in hand are sufficient to meet the demand for those months. The words of this new condition of the license are—"The licensee

shall forthwith obey any order to cease manufacturing spirit, or not to manufacture spirit in excess of a specified quantity, which with a view to prevent the stock on hand on the 31st July 18 , largely exceeding the amount aforesaid, the Collector, at any time during the last four months of the term of this license, thinks fit by written notice to issue to the licensee." Thus the question whether minimum price, pure and simple, can be enforced has not been definitely determined in Bombay by actual experience. The difficulty that arose, as above shown, was met in another way.

28. **Statistics of Consumption of Country Spirit: the Drinking classes.**—It is impossible to furnish a statement of the quantities of spirits consumed throughout the Presidency for a number of years past. Figures can be given for later years for the districts in which the central distillery system has been introduced, but even with regard to them it must be borne in mind that (1) the system has not always been extended to a whole district simultaneously, and (2) the Abkari management of Native States, or portions of them, has been included from time to time in certain of the district farms. Where districts were or are under a farming or a primitive outstill system, no figures are available; so also in the case of liquor taxed by the imposition of a tree-tax, except where distillation is concentrated in central localities. It has been the constant policy of the Abkari Department to restrict consumption by making liquor dearer, *i.e.*, by raising the still-head duty or the tree-tax in respect of toddy. The statement in Appendix II shows how continually the rate of duty on mowra spirit has been raised. When consumption increases in spite of the increased price of liquor, there is probably a local cause in operation, such as the making of a railway, the presence of additional troops, the opening of mills, besides the causes which may be said to be always active, the increase of population, the greater prosperity of the people, their greater power of purchasing luxuries, and the higher standard of living. Also, by reason of improved administration, much of the liquor that was formerly smuggled from foreign territory or distilled illicitly, and therefore not included in the statistics, is now accounted for in the figures showing the licit consumption of a district or other area. Comparison should be made, where possible, with any trusworthy figures that can be obtained of a date previous to 1878. It has been noticed that the mill hands who receive their wages daily or weekly spend their money more freely in the purchase of spirits than other classes. The hardest drinkers among the general population are some of the cultivators (*kulbis*), fishermen, and salt manufacturers (*agrias*). The Konkan districts, Thana, Kolaba, and Ratnagiri, though the smallest districts, show the largest consumption in consequence of the habits of the people. These are three coast districts, and therefore fishermen abound in them: salt also is largely manufactured. There is only one crop of rice, in the monsoon; and the cultivators who work in the fields during the rains are said to drink freely. It cannot be stated that any of the lower classes of the population refrain from drink.

In Appendix VI will be found statistics for the town of Bombay, which show that the consumption has been lower since 1876-77, *i. e.*, since the reform in the Abkari administration, than in years previous to 1876-77. Simultaneously with this decrease of consumption, the revenue has been developed by continuously raising the rates of taxation. Within this period of years the tendency of consumption to increase has been temporarily checked by a rise in prices due to enhanced duty: the effect of the enhancement appears to wear off after a while, owing probably to the greater prosperity of the drinking classes. In Ahmedabad and Surat, where figures are available, it can be shown that the recorded consumption is lower than it was before the revision of Abkari management in 1877-78. It is argued then by the Department that, if any general increase in consumption had taken place, it would have shown itself in the large cities named, where ardent spirits are much in demand, and where the general principles of Abkari administration are the same as in other parts of the Presidency.

Briefly, any increase in sales of licit liquor is ascribed to (1) the check of the consumption of illicit liquor, (2) the extension among the upper and middle classes of native society of the habit of using strong liquors.

I have collected from the Annual Abkari Administration Reports in a statement in Appendix VII the statistics of the consumption of spirit of 25° U. P.

strength in each district for the eight years 1879-80 to 1886-87, which are of some interest. But it must be remembered that in many cases the areas for which the figures are given are not those of whole districts; so that an apparent increase in the consumption may be accounted for by the area for which statistics were kept having been enlarged.

29. **The District Administration of the Abkari Revenue.**—In the Bombay Presidency, exclusive of Sind and Aden, the Commissioner of Abkari is the head of the Abkari Department. Subject to the orders of Government, he is the Chief Controlling Authority. His principal functions are defined in section 35 of Act V of 1878: except under sections 36, 37, and 40, he has no executive powers. The executive administration of Abkari matters is vested by law in the Collectors of Land Revenue, who are assisted by the Assistant and Deputy Collectors, the Mamlatdars and the subordinate revenue establishments. A district is generally divided into two or three sub-divisions, each being in charge of a gazetted officer, and each sub-division consists of two or more talookas. The number of talookas varies from 5 to 16 in a district: the talooka is the unit of the revenue administration. A Mamlatdar is the chief revenue officer in charge of a talooka, and receives pay ranging between Rs. 150 and Rs. 250 a month; he is also a Magistrate. Below the Mamlatdars are the Mahalkaris, who are the revenue officers in charge of sub-divisions of talookas (called mehals or pettas). Their pay is from Rs. 60 to Rs. 75 a month; they also have magisterial powers. The Talatis and Kulkarnis are the village accountants. The Talati is paid by Government (Rs. 15 to Rs. 20 a month). The Kulkarni is a hereditary official, and is recognised, if the individual has satisfactory qualifications; if not, the Collector may appoint an officiator. A Patel is a respectable villager, cultivator or headman, and is recognised by Government as being responsible for the revenue and police administration of a village. The office is sometimes hereditary, sometimes stipendiary. The revenue Patel and the police Patel in a village are sometimes separate officers. The services of this subordinate revenue establishment are enlisted on the side of the Abkari Department. Police officers, Police Patels, Abkari officers, officers of the Salt Department and Customs Preventive Service, and subordinate revenue officers have been invested in various degrees with powers under one or other of the sections 36, 37, 40 and 45 (a) of Act V of 1878 for the protection of the revenue, and for the issue of permits to transport, possess, and sell liquor and intoxicating drugs in quantities exceeding the limits ordinarily prescribed. The police are also required to enforce the provisions of the Abkari Act as a part of their ordinary duties; and in addition to the above, the Commissioner of Abkari has, with the sanction of Government, framed rules for the revenue and police establishments for the efficient supervision of the operations of the Abkari licensees. By these rules the Mamlatdars and Chief Constables of talookas are required to visit (without any previous notice) as frequently as possible the shops licensed in each talooka for the sale of European liquors, country spirit, and toddy. On such visits to the shops they are to take stock of the liquor therein, and compare it with the book balances. They are to test the strengths of liquor by means of a hydrometer to satisfy themselves that it is of the strength entered in the license. They are also required to examine and test the liquid measures used, to scrutinise the shop accounts and permits, and to enquire whether the prices charged for liquor sold by the shop-keepers are within the maximum prices entered in the licenses. They are also enjoined to satisfy themselves by further enquiries that all the conditions of a license have been duly observed. They are also specially directed to accost at random any person purchasing liquor from a licensed shop, ascertain from him the price he paid for it, and measure and test the liquor. The Mamlatdars and Chief Constables have also to submit half-yearly reports to the Assistant Collectors, stating the number of shops examined and the results of the examination: special reports are to be made whenever necessary.

The Collector has also at his disposal the establishment maintained exclusively for Abkari purposes. Thus each distillery is placed in charge of an Abkari officer, who is designated Supervisor or Inspector. There are also Inspectors and Sub-Inspectors appointed for purposes of inspection, prevention and detection. The number of superior Abkari officers for each district varies according to its circumstances, situation, and size. There is a Chief Inspector

for each district, sub-division or talooka, with one or more Assistant or Sub-Inspectors under him.

The Abkari farms are sold by the Collectors subject to the confirmation of the Abkari Commissioner. The auctions are held, or the tenders are received, by the Collector personally if he happens to be at his head-quarters at the time of the sale; otherwise he authorises his Huzur Deputy Collector and Treasury Officer to hold the auction or to receive the tenders, and to report the bids, and thereupon submits his recommendations to the Commissioner.

The account work is entrusted to the Treasury Officer of the district. The Inspectors and the farmers send their accounts to him. He examines and tabulates the accounts, and sees that the Government dues are properly paid in. If there are any short recoveries, he calls on the farmer to make good the deficit at once, failing which he moves the Collector to put the penalty clauses in force and to recover the balances as arrears of revenue.

The supervision of the farmer's work in the district is entrusted to the Mamlatdars and the Abkari Inspectors, who report to the Assistant Collector or Deputy Collector in charge of the division (unless the Collector has retained the Abkari management in his own hands); and the Assistant and Deputy Collectors in their turn report to the Collector.

Detailed monthly accounts both of stock and cash are sent by the Collectors to the Commissioner, and in his office they are carefully scrutinised.

30. **The Abkari Establishments.**—It has previously been mentioned that the Abkari establishments in the Bombay Presidency are maintained at a considerable strength. This was not always so: previous to 1878-79 the only special Abkari establishments employed were for the supervision of certain distilleries, for the collection of tree-tax, and inspection of trees and for preventive purposes in one district. The farming system which then generally prevailed did not necessitate the entertainment of special establishments. The following statement shows the numerical strength and the scale of the Abkari establishment (including Abkari Police) of each district as it stood on the 31st July 1887:—

Designation and pay.	Bombay.	Ahmedabad.	Kaira.	Panch Mehals.	Broach.	Surat.	Thana.	Nasik.	Khandesh.	Ahmednagar.	Poona.	Sholapore.	Satara.	Belgaum.	Dharwar.	Bijapore.	Kanara.	Ratnagiri.	Kolaba.	Total.
Supervisors, Inspectors, and Sub-Inspectors, on monthly pay of—																				
Rs. 450	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1
" 275	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1
" 250	1	...	...	...	...	1	1	...	...	...	...	...	...	...	...	...	...	...	...	3
" 200	...	...	...	...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	1	2
" 170	...	...	...	...	...	...	...	...	...	...	1	...	...	...	...	...	...	...	...	1
" 150	1	...	...	...	...	2	2	...	...	...	1	...	1	1	1	...	...	...	...	9
" 125	1	...	...	...	1	...	2	1	...	...	...	1	...	...	1	1	1	...	...	9
" 100	5	2	...	1	1	2	3	1	...	1	...	...	...	...	...	...	...	1	...	17
" 75	...	1	...	1	1	2	6	1	...	...	...	...	1	1	1	...	...	...	1	16
" 70	...	...	...	...	...	...	...	...	...	...	...	1	...	1	...	1	...	...	...	3
" 60	...	1	1	...	...	1	...	1	...	...	...	...	1	...	...	...	...	...	...	5
" 50	2	1	1	1	1	2	...	1	6	1	1	1	1	1	1	1	...	1	1	24
" 45	2	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	2
" 40	2	1	1	1	1	2	...	1	...	...	...	1	1	1	1	1	2	1	1	18
" 35	2	...	...	...	...	1	...	...	...	...	1	...	...	...	...	...	1	...	...	5
" 30	3	...	1	1	1	...	4	1	...	1	1	2	...	1	1	1	...	2	1	21
" 25	3	...	...	1	...	...	4	2	...	1	1	1	...	...	2	2	4	2	3	26
" 20	...	...	...	...	...	...	6	2	...	...	1	1	1	...	2	2	3	2	3	23
" 18	...	...	...	...	...	...	6	...	...	1	...	...	...	...	...	...	...	...	3	10
" 15	...	...	...	...	...	1	6	...	...	...	...	...	...	...	...	...	...	...	6	13
Gaugers, clerks, and karkuns, on monthly pay of—																				
Rs. 100	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1
" 70	1	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1
" 60	2	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	2
" 50	1	...	...	...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...	2
" 45	3	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	3
" 40	2	...	...	...	...	...	2	...	...	...	...	...	...	...	...	...	...	...	...	4
" 35	1	1	...	...	...	1	...	...	...	...	...	...	...	...	...	...	...	...	...	3
" 30	3	...	...	...	...	...	...	...	...	...	1	...	...	1	...	...	...	...	...	5
" 25	...	...	...	...	...	1	...	1	...	...	...	...	...	...	...	1	...	...	...	3
" 20	2	2	...	...	...	...	...	3	20	...	...	...	...	...	1	...	...	...	...	28
" 15	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1	1	2
" 14	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	1	...	1
" 12	...	...	1	...	...	1	...	...	...	...	...	...	...	...	...	...	...	5	...	7
" 10	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Havildars, naiks, peons, ramoshis, lascars, and scavengers, on monthly pay of—																				
Rs. 20	...	...	...	...	...	...	...	...	...	...	1	1	...	...	...	...	...	...	1	3
" 15	1	...	2	...	1	1	...	...	...	...	3	...	...	...	...	...	1	2	1	12
" 13	3	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	3
" 12	6	4	...	3	3	5	3	3	...	2	2	3	4	3	3	4	...	...	3	51
" 11	2	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	2
" 10	56	2	6	...	...	12	12	...	...	...	...	...	...	3	...	...	...	...	...	91
" 9	15	12	...	...	...	22	24	...	...	...	2	...	...	3	...	...	...	...	2	80
" 8	18	9	3	14	17	18	32	18	...	23	22	31	46	20	29	26	22	31	50	429
" 7	...	4	...	...	...	1	2	...	6	...	...	...	...	...	...	...	...	4	...	17
Total strength ...	141	40	16	23	27	76	117	36	32	30	38	43	56	36	43	40	34	53	78	959

The clerks included in this statement are those entertained in the Abkari Department under the Collector of Bombay for the issue of licenses, &c., and for the conduct of official correspondence, in the office of the supervisor of the Uran distilleries, and in the Huzur account offices of eight Collectorates for the tabulation and preparation of Abkari statistics and accounts. The karkuns are chiefly those employed at outstills. The cost of these establishments for each district is shown in various aspects in the following table:—

1886-87.

District.	Population.	Area in square miles.	Total numerical strength of establishment.	Cost of establishment. Monthly.	Cost of establishment. Annual.	Number of population to each officer on the establishment.	Number of square miles to each officer on the establishment.	Number of population to each rupee of cost of establishment.	Cost of establishment to each square mile.
1	2	3	4	5	6	7	8	9	10
				Rs.	Rs.				Rs. A.
Bombay	773,196	22	141	3,962	47,544	5,484	'10	16	2,161 1
Ahmedabad	856,324	3,821	40	776	9,312	21,408	96	92	2 7
Kaira	804,800	1,609	16	306	3,672	50,300	100	210	2 4
Panch Mehals	255,479	1,613	23	468	5,616	11,108	70	45	3 8
Broach	326,930	1,453	27	607	7,284	12,109	54	45	5 0
Surat	614,198	1,662	76	1,806	21,672	8,082	22	28	13 0
Thana	807,367	3,936	117	3,210	38,520	6,901	34	21	9 13
Nasik	781,206	5,940	36	835	10,020	21,700	165	78	1 11
Khandesh	1,237,231	9,944	32	742	8,904	38,663	311	130	0 14
Ahmednagar	751,228	6,666	30	431	5,172	25,041	223	145	0 12
Poona	900,621	5,348	38	793	9,516	23,701	141	95	1 12
Sholapore	582,487	4,521	43	604	8,328	13,546	105	70	1 13
Satara	1,062,350	4,988	56	811	9,732	18,971	89	109	1 15
Belgaum	864,014	4,657	36	698	8,376	24,000	129	103	1 13
Dharwar	882,907	4,535	43	848	10,176	20,533	105	87	2 4
Bijapore	638,493	5,757	40	686	8,232	15,962	144	78	1 7
Kanara	421,840	3,911	34	591	7,092	12,407	115	59	1 13
Ratnagiri	997,090	3,922	53	659	7,908	18,813	74	126	2 0
Kolaba	482,830	1,803	78	1,178	14,136	6,190	23	34	7 13
Total ...	*14,040,591	76,108	959	20,101	2,41,212	14,641	79	58	3 3

* Exclusive of Sind and Aden.

31. **Comparison of the Bombay and Bengal Abkari Establishments.**—In Appendix VIII will be found a note which I have prepared on the subject of the Bengal Excise establishments for 1888-89. I have endeavoured to compare, as accurately as possible, the establishments entertained *for similar purposes* in the two Presidencies. In the case of Bengal, where salaries are progressive in many cases, I have taken the maximum salaries, to avoid showing a lower cost for that Presidency than is really sanctioned. I do not attach much importance to the comparative strengths of the establishments of particular districts in each Presidency; but the aggregate figures for the two Presidencies are very significant as they appear below:—

Name of Presidency.	Population.	Area in square miles.	Total numerical strength of establishment.	Cost of establishments. Monthly.	Cost of establishments. Annual.	Number of population to each officer on the establishment.	Number of square miles to each officer on the establishment.	Number of population to each rupee of cost of establishment.	Cost of establishment to each square mile.
1	2	3	4	5	6	7	8	9	10
				Rs. A.	Rs.				Rs. A.
Bengal	66,591,453	145,169	1,152	21,447 8	2,57,370	57,805	126	259	1 12
Bombay	14,040,591	76,108	959	20,101 0	,41,212	14,641	79	58	3 3

MADRAS.

32. **Preliminary Remarks.**—As in the case of the Bombay Presidency, a few prefatory words in explanation of some of the expressions commonly used in Madras, which are unknown in Bengal or have there different significations, will help to clear the ground once for all. For instance, in Bengal the word "Excise" is treated both in the law and in common parlance as synonymous with the word "Abkari";—practically any revenue derived by any method from spirituous and fermented liquors or intoxicating drugs is regarded as "excise revenue." The Commission of 1883-84 "to enquire into the Excise of country spirit in Bengal" was concerned more with outstills, where no stillhead duty is levied, than with sudder distilleries, where still-head duty is paid on the liquor produced. In Madras, on the contrary,

"the excise system" has a special meaning; viz., the system under which a still-head duty, determined with reference to strength, is levied on each gallon of liquor issued for consumption from a central or private distillery. It is always carefully distinguished from a farming or renting system under which no such still-head duty is imposed on liquor. In Madras, therefore, the word "excise" has a technical and limited signification, which must be always borne in mind. The "excise districts" are those in which an excise system as above described has been introduced. A renting system denotes merely a farming system: it is only in force, with respect to arrack, in districts or parts of districts where spirit is manufactured from toddy, and is adopted because concentration of manufacture is difficult. The toddy revenue, as will hereafter appear, is also farmed out, except in Kanara (where the license-fee system is in force), and in those parts of Malabar and in Madras town into which the tree-tax system has been introduced. The words 'renters' and 'farmers' are identical in sense. Rented or farmed districts are those in which the rights or privileges of manufacture and vend are leased for lump sums for certain periods. Arrack properly means the spirit distilled from toddy or from grain: as used by the Madras Abkari Department, it means country spirit from whatever material distilled: it is almost entirely distilled from sugarcane molasses or jagri. In Ganjam and Vizagapatam it is made from rice. Jagri is the juice of sugarcane boiled to a point at which it does not crystallize: sugar is the same juice crystallized; and molasses is the refuse or drainings from the crystallization of the sugar, resembling treacle. Jagri is also made by boiling toddy, whether drawn from the cocoanut, palmyra, or date-palm. The spirit distilled from jagri, molasses, or any form of sugar is in fact Rum. "Surcharge" is the expression used for an extra charge per gallon of liquor levied by way of additional duty in important towns. In Madras the Abkari year corresponds with the financial year as regards arrack, and, in respect of toddy, begins from the 1st October to suit the toddy season. The *Fasli* year to which allusion is frequently made in the reports commences on the 1st July.

33. **Statistics of the Abkari Revenue.**—The following statement shows the development of the revenue derived from country liquor, (as defined by the Madras Abkari Act) including toddy, during the last five years:—

	1883-84.		1884-85.		1885-86.		1886-87.		1887-88.	
	Current demand.	Collection on account of current demand.	Current demand.	Collection on account of current demand.	Current demand.	Collection on account of current demand.	Current demand.	Collection on account of current demand.	Current demand.	Collection on account of current demand.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Arrack	32,49,032	31,42,626	38,50,015	37,38,419	40,51,117	38,91,030	45,63,574	43,76,671	45,95,399	45,33,583
Joint Arrack and Toddy ...	8,19,925	8,13,488	9,33,785	8,77,060	10,69,363	10,53,312	7,89,499	7,83,883	8,05,938	7,95,629
Toddy	18,86,868	18,22,095	22,84,021	22,12,734	27,98,374	27,39,478	30,81,315	30,02,782	35,89,597	34,98,904
Miscellaneous	25,966	25,518	64,910	54,440	1,34,248	1,32,406	92,729	91,310	1,21,912	1,20,755
Total ...	59,81,791	58,03,727	71,32,731	68,82,653	80,53,102	78,16,226	85,27,117	82,54,646	91,12,846	89,48,871

Under the heading "Miscellaneous," however, are included the fees for Foreign liquor licenses, both wholesale and retail, penalties and forfeitures, interest, &c.

34. **Receipts and Charges.**—The receipts and charges for the last 14 years have been as follows:—

	Gross receipts.	Charges.	Net receipts.
	Rs.	Rs.	Rs.
1874-75	60,58,923	2,31,176	58,27,747
1875-76	63,39,011	1,97,035	61,41,976
1876-77	55,83,689	2,24,814	53,58,875
1877-78	47,10,686	2,64,428	44,46,258
1878-79	58,79,261	2,07,447	56,71,814
1879-80	59,44,532	2,14,009	57,30,523
1880-81	56,48,075	1,98,720	54,49,355
1881-82	60,15,476	1,86,092	58,29,384
1882-83	59,80,965	1,97,317	57,83,648
1883-84	59,84,123	2,01,697	57,82,426
1884-85	70,72,601	2,30,434	68,42,167
1885-86	80,68,694	3,60,633	77,08,061
1886-87	84,24,144	2,40,163	81,83,981
1887-88	90,76,423	2,43,105	88,33,318

These figures refer only to the Abkari revenue from country liquor, and do not include that derived from intoxicating drugs and Abkari opium. Until the year 1886-87 the charges were swollen by the cost price of the spirits bought by Government for resale to the trade. In 1885-86 this item amounted to Rs. 1,77,826. On the introduction of the free-supply system, it fell in 1886-87 to Rs. 17,591.

These figures are necessarily different from those of the current demand for each year. The collections each year show a considerable outstanding balance as compared with the current demand.

35. **Sources of the Abkari Revenue.**—The Abkari revenue in the Madras Presidency is derived from the following sources:—

I.—The taxation of the manufacture and sale of country spirits, or arrack;

II.—The taxation of the sale of toddy, *i.e.*, the juice of the date, palmyra, and cocoanut palms;

III.—The proceeds of the licenses for the sale of foreign spirits, wines and beer;

IV.—The receipts from fees for manufacturing licenses for the distillation of spirits by the European process and for the establishment of breweries;

V.—The sale by auction, on the farming system, of the monopoly of the manufacture and vend of intoxicating drugs as defined by the Abkari Act;

VI.—The pass duty on, and rent of farms for the sale of, Abkari opium.

The revenue from the taxation of country liquor (including spirits and toddy) is collected under the following heads:—

Country Spirits.

1. License fees of ... (*a*) Private distilleries. (*b*) Do. warehouses. (*c*) Wholesale vend depôts.
2. Excise duty on country spirits.
3. Vend rents ... (*a*) Of rural farms. (*b*) Of independent town shops.
4. Rent for the privilege of manufacture and vend of country spirits combined.
5. Revenue derived in agency tracts from ... (*a*) License fees. (*b*) Rentals. (*c*). Direct Government management (amáni.)

Country Spirits and Toddy combined.

6. Joint rents of country spirit and toddy farms.
7. Tree-tapping license fees.

Toddy.

8. Rents of ... (*a*) Toddy farms. (*b*) Independent toddy shops.
9. Tree-tapping license fees.
10. License fees of toddy shops.

36. **Materials of Country Liquor.**—In the Madras Abkari Act the term 'country liquor' means "liquor manufactured in British India on which duty of excise has not been levied or is not leviable under this Act at the full rates of duty chargeable on liquor imported into British India from foreign countries by sea." Formerly there was no definition of country liquor, but certain spirits were distinguished as being "manufactured after the European method." This distinction is abolished by the above definition. The following description, abbreviated from an official report, will afford sufficient information on this subject. The country spirit, which is in most general use throughout the Presidency, is an ardent spirit, transparent and colourless like gin. Though called arrack, it is properly speaking rum, as it is distilled from sugarcane jagri, palmyra jagri, date jagri and molasses, or from a combination of these substances, together with a small quantity of acacia bark. The spirit consumed in every district, except part of Vizagapatam, Godaveri, parts of Kistna and Kurnool,

Malabar, and South Kanara is distilled from these ingredients. Ganjam is supplied by Messrs. Minchin Brothers & Co. with rum from their sugar factory at Aska in that district. The whole of the Vizagapatam district, except the Agency tracts, has been brought under the Excise system since the 1st April 1888, and the liquor is supplied by a native firm. In the hill tracts of these two districts, however, the spirit generally consumed is distilled from mohwa flowers, and, when they are not procurable, from grain. In Godaveri, Malabar and South Kanara, spirits are invariably distilled from toddy, and this is the case generally in the coast talookas of Kistna also and parts of Kurnool. In the interior of the Kistna district arrack is consumed. The preparation of toddy is a familiar process in every Madras village. Throughout the northern districts it is drawn both from the date and from the palmyra palm; in the southern districts and on the west coast from the cocoanut and palmyra. In the hill tracts of the Northern Circars and on the West Coast much toddy is also obtained from the wild sago palm. Date-toddy is the fermented juice of the date-palm. The juice is extracted by making an incision in the bark of the trees and letting it exude. It may be taken at any period of the year, but only for three months out of the twelve from each tree. A period of rest is necessary after each extraction of toddy and date trees are generally tapped every alternate day. The average produce varies very much in different localities. Date-toddy is largely used in the Bellary district; it is also used in Kurnool, Cuddapah, Godaveri, Ganjam and Vizagapatam, the upper portions of Salem, and in parts of North Arcot. Palmyra-toddy is another description. This is obtained from the palmyra tree by squeezing the flowering spathes in a rude apparatus contrived for the purpose, after their ends have been cut off. After eight days of this process the juice begins to exude. The male trees produce toddy from January to April, and the female from February to May. These trees are to be found in almost every district, but they are most plentiful in the southern districts of the Eastern Coast. Cocoanut toddy is obtained from the cocoanut tree by the same process as the palmyra toddy; the average produce of each was considered to be the same, but it is now thought that the yield of the palmyra palm is largely in excess of that of the cocoanut. The liquor may be drawn at any period of the year, but it is not usual to tap cocoanut trees for more than six months out of the twelve consecutively because the tree owners object to it. Cocoanut toddy is very largely in demand in the Tanjore district, in parts of Trichinopoly and in Kanara and Malabar, and is in fact consumed in most districts except the Northern Circars and Ceded districts. Toddy ferments after standing for a few hours in the heat of the day; and spoils, turning into sour vinegar, in two or three days. Toddy is also employed for yeast in making wheaten bread and rice cakes. The improvements in the distillation of ordinary arrack have been so great, many Europeans being engaged in the process, and European machinery being used, that the distinction of spirits made on the European process came to be little more than technical for purposes of assessment. There is a fermented liquor in use in the Jeypore zemindari termed *sowda*, which appears to be somewhat similar to the *pachwai* or rice-beer, of Bengal. It is, however, made from *raggi*, not rice.

37. **The Abkari Administration before the Abkari Committee of 1884.**—Before describing the systems in force in the Madras Presidency at the present time, it will be desirable to give a brief survey of the state of Abkari affairs throughout the Presidency before the Abkari Committee of 1884, with some account of that Committee and its recommendations. It is through the changes introduced in consequence of those recommendations that the Abkari Revenue from country liquor has developed from a demand of under 60 lakhs of rupees in 1883-84 to a collection of above 90 lakhs in 1887-88. The Madras official records contain references to the use of intoxicating liquors in Ancient India, and their taxation by the Hindoo and Mahomedan Governments. It would serve no good purpose to set out the earlier history of the Abkari Administration in Madras at any length. It will be sufficient to state that from the beginning of the century the practice of letting in farm the exclusive privilege of manufacturing and selling spirituous and fermented liquors in a district or sub-division was generally in force. The Board of Revenue of those days explained that their object was to restrain and regulate the consumption of such liquors. Regulations were passed for the administration of this branch of the

revenue, one of which (I of 1820) brought under a regular Government monopoly the tax on rum, arrack, and other liquors. The Mofussil Abkari Regulation of 1820 remained law for 44 years. In 1864 powers were taken, among other things, to levy the tax on spirits as an excise duty on the quantity manufactured, to abolish the farming system, and to throw open the manufacture and sale of intoxicants, subject to payment of fees or an excise duty on the quantity manufactured or sold. In the year 1869 an "excise system" of administration was experimentally introduced in the Ganjam district. The Collector had reported that the Abkari rental of that district had fallen to Rs. 68,980, and that the renters were known to make large fortunes: the leading merchants combining, it was believed, to keep down the biddings on condition of all sharing in the profits. Under this system the monopoly of manufacture and sale in a district was given to one person or farmer, who paid a fixed excise, *i.e.*, a duty, determined with reference to strength, on each gallon of spirits leaving the distillery, and sold the liquor under the regulations and restrictions as to number of shops, minimum price, &c., of the farming system, with the further precaution that dilution was not allowed. This system was better than the farming system, as it gave Government the means of ascertaining the exact quantity of spirit consumed, and because, the amount consumed being taxed at a fixed rate per gallon, the inducement to increase consumption was lessened. But it was unsuited to parts of the country which were so thinly populated and inaccessible that spirits which had paid a reasonable excise at a distant distillery could not be carried into them and sold at a remunerative rate. It was improved upon by the guaranteed minimum revenue system, which was introduced into half the Presidency from the 1st of July 1875 on contracts extending to three years. By this new system the duty on spirits was fixed with reference to the actual selling price of spirits in the districts concerned instead of being an arbitrary rate; the contractors were not permitted to sell spirits beyond a fixed maximum price, in order to prevent their securing to themselves a large profit on a small and easily managed consumption to the detriment of the excise duty and the neglect of the supply of outlying tracts of country; and a guaranteed minimum revenue for each district was arrived at by tenders in the open market, so that a public estimate might be obtained of that normal consumption of spirits in each locality upon which the State is entitled to levy an excise. It was laid down that all spirits should be sold at certain specified strengths and at retail rates between certain specified maximum and minimum prices. Provision was made also, as far as possible, for the manufacture of all spirits at central distilleries subject to Government inspection and control. This, then, was the guaranteed minimum revenue system in Madras upon which the Bombay system was based: in Madras this system has now been entirely abolished: in Bombay it is still being extended. It will be worth while to consider more fully what occurred in Madras. The monopoly of both manufacture and sale in each district was granted to a single contractor, who had to pay duty at a certain rate on each gallon issued from the distillery, and who further guaranteed to Government a certain revenue settled by competitive tenders. Maximum and minimum prices were fixed within which the contractor's licensees in the shops were bound to sell to consumers. The range of price permitted was 8 annas per gallon. There was a surcharge (*i.e.*, extra charge) of duty at 8 annas a gallon at 30°. U. P. payable on spirits sold in municipal towns, and for such spirits maximum and minimum prices were allowed in excess of the ordinary rates by 8 annas a gallon. As higher prices were possible in the towns than in rural tracts, a higher duty was thus obtained. The imposition of a maximum price was intended to prevent the contractors from seeking to obtain all their profits by enhancing the prices in the towns, and to give them an interest in affording proper facilities of supply to, and preventing illicit supply in, outlying tracts. The work of prevention of illicit consumption was supposed to be provided for by the contractors. In adjusting the maximum and minimum prices which were fixed by Government, an allowance was made for the cost of spirits, excise duty, cost of distribution within the district, charge for administration and prevention, and profits of the renter and retailers. The leases were for a period of three years. This, it has been observed, was a system of large monopolies, artificially regulated; in its favor it was claimed to be superior to the absolute farming system which it

superseded, and under which knowledge of the consumption and regulation of taxation were unattainable; it was held that it led to concentration of manufacture and the use of improved appliances and cheaper methods; that the use of unwholesome materials in manufacture became impossible; and that the revenue was collected without risk or difficulty. In other respects it failed in Madras to secure the advantages expected from it. The renters did not give adequate facilities for supply in outlying tracts, and closed a large number of shops previously existing; they almost invariably charged the highest prices allowed under their contracts; they reduced the profits of the retailers to such an extent that these dealers were forced to seek their remuneration in illicit practices, which in such hands are specially dangerous to the revenue and difficult to detect; they did little for prevention; and they looked entirely to their own profits, and not at all to the interests of Government. The guarantee system also broke down. It was anticipated that the guarantees, which were to operate as a stimulus to the renters to work for the advantage of the revenue as well as for their own profit, would be settled by competition and insure good management; but the large firms and capitalists who alone can embark in the business did not bid against each other. The guaranteed revenues consequently became so low that the duty was practically paid on the quantities issued, which the monopolists were scarcely concerned to extend. According to the accounts furnished by the renters themselves, their profits for the year 1883-84 exceeded 21 per cent. on the arrack revenue realized by Government in the excise districts. It should also be mentioned that in 1875-76 the separation of the arrack from the toddy farms was effected. This step was taken in the interests of the public health, toddy being considered a more wholesome stimulant than arrack, and the toddy sales having been unduly restricted under the combined rent system, as the renters generally found it more profitable to push arrack sales at the expense of toddy, notwithstanding that the latter was the more wholesome beverage. In a few years it was found in Godaveri, Kistna, Malabar, South Kanara, and a part of Kurnool, where the practice of distilling arrack from toddy extensively obtains, that the separation of the arrack from the toddy rents had led to endless disputes between the arrack and toddy renters, and a great deal of illicit distillation, to the injury of the Government revenue; these farms were consequently amalgamated and leased out to the same renters.

38. **The Abkari Committee of 1884.**—In the year 1882, the Local Government, in reviewing the Abkari Administration Report for 1879-80, remarked that the low rate of consumption of country spirits in the districts in which the Excise system had been newly introduced, joined with the fact that the duty imposed upon the renters of maintaining sufficient preventive establishments was being much neglected, afforded a very strong presumption of the extensive prevalence of illicit distillation and smuggling of liquor in those tracts. They directed, therefore, that the subject should be very carefully examined when the renewal of the existing arrangements came under consideration on the termination of the current leases at the end of March 1884. The Board in November 1883 reported to Government their opinion that the excise system had not in any way encouraged illicit distillation, but had, on the contrary, tended to suppress it to a considerable extent; that a good deal of smuggling was carried on in districts adjoining Native States and foreign territories; that similar difficulties existed where Rented talooks adjoined excise tracts, and in municipal towns where a surcharge of duty was levied; that the district renters, though bound by special stipulations to maintain adequate preventive establishments, failed to do so in most cases; and that their neglect in this respect, together with the inadequate remuneration allowed by them to shop-keepers, which drove the latter to give short measure or to dilute the liquor so as to make a living, were the weakest points of the excise system which was otherwise working well.

It is stated (in the Madras Board's Resolution of 30th June 1886) that the Madras Government came to the conclusion that the system in force needed remodelling in several important respects. The large areas, usually comprising entire districts, entrusted to the management of contractors selected on consideration of the tenders received, had enabled a few rich firms to combine to keep down the revenue guaranteed for the several farms, to make a considerable profit out of the business without bestowing much attention on its management, and thus practically defeat the object for which guarantees were required. The levy of a fixed uniform rate of duty throughout whole districts, and the regulations as regards prices at which spirit was to be sold, had on the other hand to a great extent disabled them from dealing effectually with illicit distillation by adapting prices to the circumstances of different localities. It was therefore considered desirable to relax the rigidity of the system, so as to allow of freer play to natural influences.

About this time a number of suggestions and questions connected with the Abkari Administration came before the Local Government. A Committee was therefore appointed in March 1884 to advise on the whole subject, to draw up the necessary notifications, inviting tenders, and to frame the conditions of the licenses required to carry out their recommendations. As a great defect in Abkari management had hitherto been the want of proper preventive arrangements, the Government decided that the responsibility for prevention should be transferred from the contractors to the State, and determined to entrust the duty to the Salt Department, whose preventive agency was organized on a suitable system for the purpose contemplated, was already spread over the Presidency, and could with some slight increase of strength undertake the additional duties. At the same time the necessity of legislation was recognised, and a draft Bill based on the Bombay Abkari Act was referred to the Committee for consideration. In April 1884 the Committee recommended the following changes in the existing system of making and selling country spirits in the excise districts :—

(1). The sale separately of the privileges of manufacture and of sale.

(2). The breaking up of district vend farms into talook farms, or even smaller divisions in selected localities, in view to the eventual elimination of the middleman altogether.

(3). The fixing a standard rate of excise duty on country liquor on issue, and differentiating the total taxation in respect thereof by license fees, or other methods of payment, for the right of vend, varying according to the circumstances of different localities.

(4). The abolition of the surcharge system in municipalities where it existed, and the substitution in its place of the sale of shop licenses by auction in all large towns.

(5). The throwing open to competition, but subject to the payment of a moderate license fee, only the manufacture or supply in certain selected areas where a total taxation on spirits might be expected to be realised approximating to the Tariff rate.

(6). The eventual abolition of the Madras town Abkari system and its assimilation to that proposed for excise districts generally.

(7). The gradual extension of this system to all districts where the farming system prevailed, the first step in this direction being the concentration of manufacture.

The Local Government accepted the recommendations of the Committee, and issued a series of notifications to bring the changes required into effect from the 1st of October 1884.

The privileges of the manufacture and sale of arrack, which had previously been granted to a single person or firm, were disposed of separately. The substitution of talook for district vend farms allowed of smaller capitalists entering into the competition for the exclusive privilege of sale. The revenue from arrack then came to be, and has since been, collected partly (1) by means of a still-head duty levied on each gallon issued from the distilleries, and partly (2) by means of lump sums paid for the privilege of sale,—instead of by means of a duty on issues only. The right to open spirit shops in the larger towns and in the Nilgiris was sold by auction, in substitution of the surcharge system. No change was immediately made in the Madras town Abkari system, but it has been subsequently effected. The most important change of all perhaps was the introduction of the "free-supply" system into the Chingleput and

Trichinopoly districts, and the Bellary cantonment. Under this system all licensed vendors are left free to obtain their supplies from such licensed distillers as it suits them to deal with, subject of course to the payment of duty at the prescribed rates on all issues from the distilleries. In all other excise districts, 14 in number, the monopoly supply system was maintained, and the right of manufacture and supply was disposed of by tender. The policy of the Abkari Department and of Government has since been to substitute free-supply for monopoly-supply. The details of the systems as introduced in 1884, and set out in the notifications of that year, need not be given here, as they will be stated in the subsequent paragraphs which show the systems now in force.

39. **The Abkari Department.**—In July 1884 the Abkari administration was placed under the control of the Commissioner of Salt Revenue, and the Collectors were directed to report on all matters relating to Abkari revenue through the Commissioner to the Board. The Local Government, when appointing the Abkari Committee in March 1884, recorded their opinion that experience had amply demonstrated the necessity of Government taking upon itself directly the duty of protecting the Abkari revenue. "This means," they wrote, "the organization in some shape of a special Abkari Department such as exists in Bombay, and the appointment of a single officer to direct the administration in subordination to the Board of Revenue. Such an appointment has been frequently suggested, and the Government have little doubt that the increased revenue will prove the economy of the measure." It appeared to Government that the existence in the Salt Department of an organised preventive staff which had extended its operations almost throughout the whole country, and the success which had attended Mr. Bliss's administration of the Salt Department at once suggested the amalgamation, as in Bombay, of the Abkari and Salt Departments under a single head. (Some addition to the strength of the Salt preventive staff was contemplated as already stated to enable it to undertake the work of excise prevention also.) The Abkari Committee, in considering a Draft Abkari Bill referred to them, provided for the procedure and powers of Abkari officers from the point of view of the Commissioner of Salt Revenue being appointed to be also Commissioner of Abkari, and thus working the police provisions of the Abkari law by the same men and under very similar rules to those in force for the guidance of the Salt Preventive force, as otherwise there would be the anomaly of one set of officers working two somewhat cognate systems of prevention under different systems of procedure. The great advantage of the Salt Law procedure is that it enables the Salt officers to temper its rigour to the circumstances of a poor population by allowing offenders to be discharged with a warning. The Abkari Act I of 1886 (by which the existing Abkari laws were consolidated and amended) became law on the 17th February 1886, but did not come into full operation until the financial year 1886-87. The objects of this Act were, to improve the revenue and the administration, by the concentration on the subject of the attention of a single responsible officer of standing and experience; by the power, under the rules, of varying its treatment as circumstances may require; and by the substitution, for the irregular and imperfect preventive action of the contractors, of the uniform and persistent pressure of a highly-organized and well-paid Department of the State. To carry out the first of these objects, the Act conferred power on the Local Government to place the administration of the Abkari Department under a Commissioner, who should exercise control either as a Member of the Board of Revenue, or subject to the orders of the Board of Revenue, or independently, as the Governor in Council might direct. The first alternative was adopted, with a view to authorising the Commissioner to give orders to Collectors of districts, and to obviate the necessity of his referring for instructions to the Board of Revenue. Thus the Commissioner of Salt and Abkari Revenue was appointed an additional Member of the Board in respect of these branches of the revenue. Since the reorganisation of the Board in April 1887 he has become an ordinary Member of it. There are now four Members of the Board of Revenue in Madras: the first receives Rs. 3,750 a month, the second Rs. 3,500, the third and fourth receive Rs. 3,000 a month each. The Member in charge of Salt and Abkari receives a fixed travelling allowance of Rs. 250 a month. The substantive Commissioner of Salt and Abkari is at present

the fourth Member of the Board, but may in due course receive the pay of the first Member, so that the pay of the Commissioner of Salt and Abkari in Madras may rise from Rs. 3,000 to Rs. 3,750 a month, *plus* Rs. 250 a month as fixed travelling allowance. The Act further provides for the appointment of the requisite subordinate agency, and prescribes the procedure to be adopted and powers to be exercised by Abkari officers in respect of offences against the Abkari law on lines similar to those on which the preventive provisions of the Madras Salt Act are based. The special feature of the procedure mentioned is that all persons who are arrested under the provisions of the sections which authorise arrest without warrant must be forthwith forwarded to an Abkari Inspector, or bailed to appear before him in order that he may hold a preliminary enquiry and decide whether the case should be sent before a Magistrate or the accused should be discharged with a warning. This admits of offenders being released when charged only with petty breaches of the law, and where an exemplary punishment does not appear to be called for. Of the 12,404 offences against the Abkari law dealt with during the year 1886-87, 4,554 were disposed of by the officers of the Department.

40. Features of Abkari Policy in the Madras Presidency.— In the preceding paragraphs mention has been made of the main principles of the policy of the Abkari Department, viz., to abolish farming, to substitute free-supply for monopoly-supply, to separate the rights of manufacture and sale, and to diminish the areas of vend farms. The changes last mentioned have proved financially a great success. There are other constituent portions of the Abkari system in Madras which must not be overlooked. For instance, it is one of the main objects of the Department to acquire a wider and more accurate knowledge of the conditions of the traffic in intoxicants of different descriptions, and to devise measures which will be better suited to the requirements of particular tracts than the existing methods.

Variation of systems.

Strengths of liquor.

Again, the strengths at which spirit is issued are fixed at 20°, 30°, and 60° U. P. To prevent them from competing with European spirits, the strength is limited to 20° U. P. and under. The object is to free European spirits, which are usually sold at strengths above 20° U. P., and which are, as a rule, consumed by classes well able to pay full duty, from the competition of under-taxed spirits issued and sold at lower strengths; to prevent adulteration and dilution by the shop keepers; also to provide that means may be available for detecting such practices and (still more important) the sale of illicitly-made spirits in the shops. The abolition of prescribed strengths would result in a large falling off in the revenue as dilution would be freely practised, just as it is in the case of European liquor. But for this consideration, it is thought that the prescribing of strengths might be discontinued, as it is claimed that there is no illicit distillation in the excise districts, and in the rented districts the distillers can easily regulate the strength of liquor by means of an hydrometer, which can now be bought for a few rupees. The strengths indicated were determined upon, as suiting the habits of the people. One of the chief effects of an "excise system" is that the people take to drinking stronger liquor, as the large monopolists encourage them in this direction, finding it to be more profitable for themselves. Consumers do not drink proportionately more liquor when the strength and price are reduced. The policy at present is to leave prices to settle themselves.

Maximum and minimum prices.

In "excise tracts" maximum and minimum prices have been abolished. The sub-division of districts into small vend farms has done away with the necessity of maintaining maximum prices. Moreover, the Abkari Act only empowers the Government to fix minimum, but not maximum, prices. The farmer of a small area of vend cannot sell at exorbitant rates, as he would thereby reduce his aggregate profits to an inconsiderable sum. A monopolist of a whole district made all, or nearly all, his profit out of the consumption in the town or towns, by charging maximum prices, while he left the outlying portions of his farm unsupplied. Minimum prices were abolished because the excise duty, *plus* other charges in bringing liquor to sale, is sufficient to prevent its being sold too cheap. In rented farms maximum and minimum prices are retained, but are practically inoperative. It is found that minimum prices cannot be enforced, as no evidence

is obtainable. The imposition of maximum prices, though not authorised by law, is justifiable in the interests of consumers. But insomuch as they limit the profits which a licensee would otherwise make on each gallon of liquor, they so far induce him to push his sales for the purpose of increasing his aggregate profits.

Rate of still-head duty.

The incidence of taxation per gallon of spirit is not regulated *only* by the rate of still-head duty, but partly also by the amount of bids at auction for the right of vend. This will be seen from the statement in paragraph 50. The rates of duty were raised in almost every district in 1886-87 as compared with those in force in 1885-86. The Abkari Commissioner was then of opinion that it was unsafe to depend upon the solvency and good faith of the competitors at auction, and that the revenue would be more safely and easily realised in the shape of excise duty levied at the time of issue of the spirits. But his proposals were not altogether accepted. The intention is that the duty should be gradually raised, but if the enhancement is made too rapidly, the object of the new system would be frustrated. The rates of duty have been again raised, as the figures in Appendix IX show.

Distilleries.

In Madras there are no public distilleries: there are private distilleries belonging entirely to European or native firms. These are, under a set of rules, regularly controlled and inspected by the Abkari Department.

Outstills.

There are no outstills at all resembling the outstills in Bengal: outstills in Madras mean the renter's stills in a rented area as contrasted with the large distilleries in an "excise tract."

Illicit distillation.

It is claimed that there is now no illicit distillation in the free-supply area or the other excise districts: a case is rarely discovered. It is acknowledged to be very rife in Ganjam and Vizagapatam (where the people prefer rice-liquor), because the people do not like the liquor made by the contractor. He is obliged to issue arrack distilled from rice whenever the people demand it. The experiment has been tried, but without much success, of obtaining a native contractor to distil by native methods. There is also illicit distillation in the Godaveri, Kistna, Malabar, and Kanara districts, where the people are accustomed to toddy spirit, and the concentration of manufacture essential to the working of an "excise system" is a problem still only in its experimental stage with reference to distillation from toddy. These are the six difficult districts. Smuggling from French territories and such Native States as Travancore and Cochin is not uncommon. During the year 1886-87 there were 652 cases of smuggling and 655 cases of illicit distillation throughout the Presidency.

Permits.

Permits are not required for foreign liquor, but any quantity of country liquor exceeding one bottle of country spirits or half a gallon of toddy must be covered by a transport permit. There is no practical difficulty in obtaining a permit as power has been given by notification to numerous persons, including licensed vendors, to issue them within certain areas.

Hydrometers.

Besides the hydrometers supplied to the distilleries, every Inspector, Assistant and Sub-Inspector, is supplied with a common hydrometer (not by Sikes). Shopkeepers are not compelled to have them; common hydrometers are required to be kept at renters' dépôts: they are always of glass: no metal hydrometers are used.

Privilege of sale.

The Committee of 1884 recommended that the number and localities of the shops for the sale of liquor should eventually be determined, and the licenses sold annually for those shops by public auction, contractors or middlemen being altogether dispensed with. The Abkari Department are working in this direction, and a commencement has been made by the experiment of allowing shops to be held by independent shopkeepers in some of the large towns. These persons have single shops under licenses direct from the Collector. In respect of toddy a further advance is being made as it is in contemplation to sell the shops singly throughout several selected talooks from next October.

There has everywhere been a material rise in the price of liquor since the introduction of the new system by which the right of manufacture has been separated from the right of sale. It is calculated that there has been a general rise of from eight annas to a rupee per gallon of 30° U. P. as compared with the old maximum prices. The small margin that there is in some cases between the selling price and the revenue payable to Government (see statements in paragraph 50 and in Appendix X) lead to the conclusion that dilution has been extensively resorted to, or that short measure is given. This conclusion is based on the assumption that the prices reported are correct. On the other hand, their accuracy has been questioned, and it is stated that, in measuring liquor by drams, much profit is secured to the vendor, even without resort to improper practices.

Price of liquor.

The difficulty of combining a tree-tax on raw toddy with an excise, *i. e.*, still-head duty, on the distillation of toddy spirit, will be seen in paragraph 45 which deals with Malabar and South Kanara. It appears to turn on the question whether raw toddy is to be regarded as a beverage or as an intoxicant. If the tree-tax on raw toddy is fixed so as to correspond even approximately with the alcoholic strength of the article, its consumption as a beverage may be stopped. On the other hand, from the point of view of strict Abkari administration, there is no reason why the consumer of raw toddy should be allowed to obtain alcohol at a cheaper rate than the consumer of spirit. The departmental view in Madras is expressed in the following terms:—"The true principle appears to be that the taxation in the form of a tree-tax should not exceed what the people can afford to pay upon the beverage; and wherever, as in some parts of Malabar, toddy constitutes an article of diet, and is in fact the ordinary morning meal of some of the labouring classes, taxation must be moderate or such classes would be deprived of their food. Shop-rents serve to enhance the tax upon toddy used as an intoxicant, and when toddy is used for distillation, taxation must be supplemented by some other means, if possible by a still-head duty, which is the system now being tried in the municipalities of Kanara and Malabar. When this course is not feasible owing to the difficulty of concentrating manufacture, the rentals for exclusive privileges of manufacture and sale are the only sources from which such enhanced taxation can be derived."

Combination of tree-tax and "excise."

"Raw" toddy includes both fermented and unfermented toddy, as distinguished from the distilled juice of the toddy palm. It is the freshly-drawn or unfermented toddy that is non-alcoholic, and largely consumed as an article of diet. But, even when fermented, its alcoholic strength does not exceed that of English ale, which is not taxed in proportion to the spirit it contains. In Madras, toddy is regarded as the beer of the country, not to be taxed in proportion to its alcoholic strength.

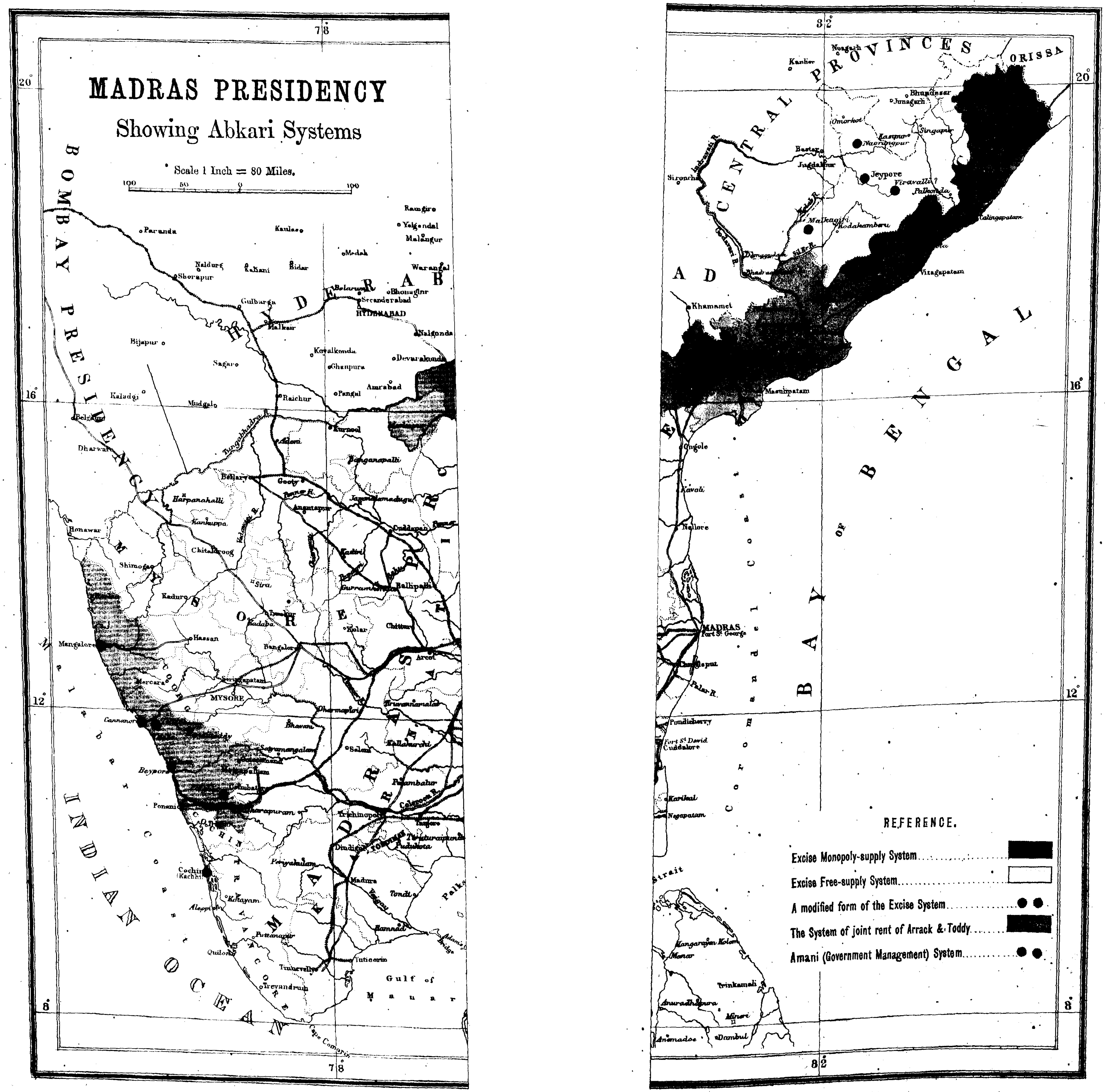
The exclusive privileges conceded by the Abkari contracts used to be granted for three years, but latterly they have for the most part been made for one year. The object is to enable Government to bring into operation, and speedily to benefit by, any improvements in the system which experience may suggest, and to expedite the process of levelling up the taxation on country spirits to the import rate. It was thought that the shortness of the period would prevent adequate bids at the auctions, but it seems that for small contracts, such as those for talooks and shops, a year is long enough.

Periods of contracts.

In 1881 the Local Government laid it down that they desired by all means, while affording the people all reasonable facilities for obtaining what they need, to avoid to the utmost anything which may tend to stimulate the consumption of intoxicating liquor; that the object should be to obtain the maximum, but not necessarily a high, revenue from the minimum consumption, and that the use of toddy and beer and of the weaker class of spirits should be favoured in comparison with the stronger spirits, and that a more than proportionate increase should be made in taxing spirits of more than ordinary strength.

Orders of Government.

41. **The Systems of Abkari Administration in force as regards Arrack.**—The following statement shows in a simple form the



Printed from a transfer to stone in the Litho. Office of the Survey of India Department, Calcutta, July 1888.

different systems at present in force in the several districts of the Madras Presidency:—

EXCISE MONOPOLY-SUPPLY SYSTEM.	EXCISE FREE-SUPPLY SYSTEM.	A MODIFIED FORM OF THE EXCISE SYSTEM.	THE SYSTEM OF JOINT RENT OF ARRACK AND TODDY.	AMANI (GOVERNMENT MANAGEMENT) SYSTEM.
1	2	3	4	5
Ganjam. Vizagapatam. Kistna (upland talooks).	Nellore. Cuddapah. Anantapur. Bellary. Kurnool (the talooks west of the Nallamalais). Madras. Chingleput. North Arcot. South Arcot. Tanjore. Trichinopoly. Madura. Tinnevelly Coimbatore. Nilgiris. Salem. Wynaad talook of Malabar.	The five towns of Malabar (viz., Cannanore, Tellicherry, Calicut, Palghat and Cochin) and Mangalore in South Kanara.	Godaveri. Kistna (coast talooks and the Nuzvid and Vissannapet divisions). Kurnool (Cumbum and Markapur talooks). South Kanara (except Mangalore town). The rural tracts of Malabar except Wynaad talook and the five municipal towns.	The Agency tracts of Vizagapatam.

The accompanying map shows the portions of the Presidency in which each of these systems is at present in force. They will now be described in the succeeding paragraphs.

42 **The Excise Monopoly-Supply System.**—The word "excise" in the title indicates, as intimated above, that under this system liquor is excised, in the proper sense of the term, *i.e.*, a still-head duty is levied on each gallon issued. The rate of still-head duty is now fixed for each district by Government. The expression "monopoly-supply" means that the exclusive privilege of manufacture is granted to the approved tenderer who offers to supply the liquor to the talook vendors and shopkeepers at the cheapest rate per gallon. This exclusive privilege of manufacture is disposed of by tenders for the district or other tract of country: the monopolist manufacturer whose tender is accepted is bound to supply talook vendors and independent shopkeepers at the prescribed strengths only, and at the fixed rate per gallon according to his tender. The exclusive privilege of sale is separately disposed of by auction (not by tender) for a talook or other area, such as a Revenue Inspector's division (there are three or four of these in each talook), except in the case of certain towns in which the shops are separately sold. The highest approved bidder at the auction becomes the talook vendor, and is bound to purchase only from the manufacturing monopolist. Talook vendors are required to maintain dépôts to which the liquor obtained by them from the manufacturers must be conveyed for verification of the consignment by a Government officer before it is issued to the shop-keepers. They are at liberty to select their own shop-keepers, and to establish, as a general rule, as many shops as they may consider essential for the adequate supply of their farms, subject to the sanction of Collectors, which is ordinarily granted in the absence of objection on Police grounds. No difficulty in respect of the selection of sites came to my notice. In the towns in which the shops are sold separately, the right of sale is assigned to the highest approved bidder.

It will be observed that this system now applies to less than three districts: until the last year or two it applied to the greater part of the Presidency. The object of doing away with the monopoly of supply has been (1) to give vendors the option of procuring their supplies from any licensed distiller, so as to suit the tastes of their customers, and (2) to foster competition among the manufacturers.

It may also be noted that until quite lately there was a fixed still-head *charge* (not duty) of Rs. 2 per gallon of 30° U.P. strength, *i.e.*, the monopolist manufacturer was bound to supply the talook vendors with liquor at that rate. The monopoly of supply was granted to the approved tenderer who offered to pay as duty to Government the highest rate per gallon, *i.e.*, the monopolist distiller received the Rs. 2 per gallon as still-head *charge* and agreed to pay to Government, say, Rs. 1-6 out of the Rs. 2 as *duty*, retaining the difference, 10 annas, to cover the cost of manufacture, &c., of the liquor. This system has lately given place to the system of a fixed rate of duty and of tenders for the rate of supply of liquor.

43. **The Excise Free-Supply System.**—This system now applies to the greater part of the Presidency. As regards the manufacture and supply of spirits, it is in fact the English system. But its name has been somewhat misunderstood. It does not mean that the supply of spirits is free. Under it a still-head duty (not a still-head charge) is levied at a fixed rate, and the licensed talook vendors and shopkeepers are free to supply themselves from any licensed distilleries; in other words, there is no exclusive privilege of manufacture or supply granted to any distiller. A shop keeper in Nellore, for instance, may obtain his liquor from Coimbatore, or a vendor in Trichinopoly may obtain his supplies from North Arcot. Licenses for manufacture and supply are granted on payment of an annual fee of the nominal amount of Rs. 100 only to any respectable person who is prepared to provide suitable buildings for the establishment of distilleries or depôts of excise, *i.e.*, private warehouses, and conform to the conditions prescribed by Government. As a fact only one private warehouse has been established, at Arconum, as the distillers have not found it worth their while to pay the fee and the cost of the officer in charge of the warehouse. There are rules for the transport of country spirit under bond from a distillery to a warehouse, the bond being cancelled on the arrival of the liquor at the warehouse.

Under this system the privilege of sale is disposed of by auction within a certain area, as under the monopoly-supply system. In putting up the tracts or areas of farms for auction of this privilege or right of sale no statistics of previous consumption are notified, but they are made available if required: the Department apprehend that figures published in a notification would be regarded as a guarantee. The talook vendors and independent shop-keepers, who may obtain the liquor required by them from any licensed distillery or warehouse-keeper or wholesale dealer on pre-payment to any Government treasury of the prescribed duty, are only bound by the restriction that the spirits so supplied must be issued only at 20°, 30°, or 60° U.P. The cost of the liquor, *i.e.*, the distiller's charge for it to a talook vendor or licensed shopkeeper, is not allowed by Government by the terms of the license to exceed a fixed price, *i.e.*, 10 annas and 6 pies per gallon of 30° U.P. strength. This price has been settled arbitrarily, but high enough to admit of plenty of margin, the cost price to the distiller of liquor distilled from jagri being ordinarily 7 or 8 annas per gallon 30° U.P. A maximum price has been fixed to check the distillers from raising the rate too high. The talooks have been sub-divided so as to reduce the size of the vend farms and afford encouragement to small capitalists to compete: in most districts the Revenue Inspector's range was adopted as the unit, but in some districts subdivision was carried still further. A plan of licensing wholesale vendors has been invented to facilitate the distribution of liquor to independent shop-keepers and small rural farmers, and it has been found a very useful way of working out the distillery system. Any one can take a wholesale-vend license at a fee of Rs. 15 annually to supply any town or any rural tract in which a uniform rate of duty is imposed. A wholesale vendor has a depôt, but there is no Government establishment in charge: he has to keep accounts and file his permits. He must prepay the duty on the liquor before he removes it from a distillery or a warehouse. The Abkari supervising staff occasionally examine his accounts, compare his permits therewith, and inspect his proceedings. He submits monthly returns showing where he has despatched his spirits; from these returns and the returns of the distillers the statistics of consumption of the whole Presidency are compiled. Any quantity of liquor above half a gallon of toddy and one bottle of country spirit must be covered by a transport permit. The shop-keepers also have to file the permits. Independent shop-keepers are at present allowed only in certain large towns: the policy is to extend direct relations between the Department and shop-keepers, with a view to eliminate the middleman.

Holders of licenses to manufacture under the free-supply system are also permitted to manufacture spirits and issue them at *any* strength on

payment of the Tariff rate of duty. As the Tariff rate of duty is higher (almost universally) than the incidence of taxation per gallon of country spirits, it is not likely that the manufacturers will avail themselves of this permission in respect of spirits of strengths 20°, 30° or 60° U.P., but there is nothing to prevent their manufacturing country spirit at, say, 10° U.P., and paying the Tariff rate duty upon it. Under the Madras Abkari Act, I of 1886, spirits on which excise duty has been levied at the full rates chargeable on liquor imported into British India from foreign countries by sea are included in the definition of foreign liquor, although manufactured in British India; and the only restrictions imposed on distillers in respect of country spirits so excised are that they shall be issued only to persons licensed to sell foreign liquor, or to private persons for domestic consumption but not for sale. Where the excise duty on country spirits is levied at a rate proportionate to the duty on imported spirit, the taverns will probably draw away to some extent customers who formerly resorted to arrack shops. But as the licenses for these taverns (for the retail vend of foreign liquor to be consumed on the premises) are put up to auction, no loss of revenue is likely to result. Where the incidence of taxation on country spirits exceeds (as in some districts) the Tariff rate, the tavern keeper will be able to undersell the arrack shopkeeper for the present, until tavern rents rise and equality is restored. With regard to wholesale and retail sales, spirits of the above description are subject to the same regulations as imported European liquor. If they were sold as country liquor, they would require a permit for each small quantity issued. This so-called foreign liquor is a special feature of the Madras Abkari system: it is thought to be worth encouraging as a local industry. The object of the free-supply system was, by encouraging competition amongst manufacturers, to secure for the consumer a better quality and cheaper article, while leaving the vendor free to procure the description of liquor which his customers prefer, instead of leaving the consumer no option but to drink whatever the monopoly supplier might offer. Until recently the distillers, with the exception of one large firm, confined their operations chiefly to the districts in which their distilleries are situated and those with which they had previously established a connection under the monopoly supply system, but latterly more distilleries have been established and competition has developed, and it is anticipated that in progress of time advantage will be taken more freely of the facilities for supply offered by the Private Warehouse Rules of May 1886. So far it has not resulted in any appreciable reduction of price, and the consumer has not as yet been offered a choice of the products of different distilleries, but as a rule drinks what he was previously accustomed to under the monopoly-supply system. Possibly other competitors will come into the field, and it is hoped that, as the system developes, the consumer will eventually reap the advantages which it was intended to secure for him.

44. **A Modified Form of the Excise System.**—The modified form of excise system which obtained in the following five towns of the Malabar district, viz., Cannanore, Tellicherry, Calicut, Palghat and Cochin, until the 1st of January 1887 was as follows: The privilege of manufacture and sale was assigned to a contractor for a lump sum determined by competition at auction, subject to the payment of excise duty on every gallon of spirit issued from the central distillery. The contractor had the exclusive right of supplying the shops in the town with spirits of all recognized strengths, and of sale in such shops. Since the 1st of January 1887, the contractor has been required to establish a distillery in each town, except Tellicherry, where a depôt of issue supplied by the Cannanore distillery is allowed. The spirits are to be distilled only from toddy drawn from marked trees on which tree-tax, at the rates in force, has been paid, and a still-head duty of eight annas per gallon of 30° U. P. has to be paid on the issue of such spirits from the distillery. The tree-tax is Rs. 3 a year. It is assumed that a cocoanut tree will yield on an average about 50 gallons of toddy, equivalent to $3\frac{1}{2}$ gallons of proof spirit, *i.e.*, to 5 gallons of 30° U. P. The tree-tax of Rs. 3 or 48 annas thus represents an incidence of nearly 10 annas per gallon 30° U. P. The whole duty, being fixed at Re. 1-2 per gallon of 30° U. P., is thus made up of eight annas still-head duty levied in cash at the time of issue, and 10 annas per gallon as the incidence of tree-tax. In Cochin no excise duty has been levied in addition to tree tax since

1st October 1887, as, owing to the proximity to native territory, it is impossible for highly taxed liquor to contend with the cheap liquor surreptitiously introduced. In these five towns the arrangements for the sale of toddy are as follows. The tree-tapping license-fee system has been introduced. The toddy shops have been sold separately, subject to the condition that the toddy required for sale therein is to be procured only from marked trees, in respect of which a separate fee at the rates marginally noted has to be paid. The fee, leviable in certain instalments, must be paid into a Government treasury or to the village headman, if duly authorised to receive it, and applications must be made to the Abkari Inspector for permission to tap, whereupon the trees are marked and a license issued, but no license is issued to any person for tapping less than 15 trees in the first instance; supplemental licenses are, however, granted for tapping not less than five trees. Also, the toddy required for the distillation of weak spirit must be procured from marked trees, for the tapping of which licenses are issued as just described. Tapping licenses in the rural farms include the right to sell toddy at the tree foot during the day.

Each cocoanut tree ...	Rs. 3	per annum.
„ palmyra tree ...	„ 1	„ „
„ sago tree ...	„ 6	„ „

45. **The System of Joint Rent of Arrack and Toddy.**—It must be remembered that the word arrack is used by the Abkari Department to mean country spirit, from whatever material it is distilled, and therefore includes toddy spirit. In the tracts indicated in column 4 of the form in paragraph 41 above, arrack and toddy are rented out conjointly, the separation of them being impossible, because spirit is exclusively distilled from toddy. In these tracts 60° U. P. liquor is usually drunk. These tracts are called the rented tracts. As the toddy shop-keeper always has materials for distillation at hand, the experiment of renting the privileges separately failed. The exclusive privileges of manufacture and sale of country spirits are disposed of for a fixed period by auction. In some cases the contractors sublet portions of their farms, and in others deal directly with the shopkeepers. The number of stills is limited as far as possible, in order to concentrate the manufacture, with a view to the eventual introduction of the system of excise. The contractors are subject to the same restrictions in regard to the strengths at which they may sell liquor, as the holders of vend-farms in excise tracts; and the size of the farms has recently been similarly reduced. As a rule, the sub-division of talooks has been carried out so as to correspond with the divisions of Revenue Inspectors. In certain parts of the Malabar district and in South Kanara, special methods of renting the revenue derived from country spirits and toddy are now being tried. The excise system as to arrack in the five municipal towns has already been mentioned.

The tree-tapping license-fee system and the arrangements for the sale of toddy, described in the last paragraph as being in force in the five municipal towns of Malabar, have been introduced also into the talooks of Calicut and Kottayam of that district. In the rest of the district there are no special arrangements for the sale of toddy. In Calicut talook the system failed, through the employment of a middleman, who was in a position to demand exorbitant rates for permission to tap. It has been resolved to dispense with him and deal directly with the toddy drawers in the rural tracts.

The above description represents the actual existing facts. It is proposed, however, on the expiration of current leases, to endeavour to extend a system of excise to the following four talooks of the Malabar district, viz., Chirakal, Kottayam, Calicut and Palghat, and the whole of the Mangalore talook of South Kanara, by concentrating manufacture at central distilleries in convenient localities with the aid, if necessary, of subsidiary stills worked in the immediate vicinity for the manufacture of weak spirits, which would be removed under the supervision of the distillery officer and despatched in sealed casks to the central distillery. All the scattered stills of the present renters throughout these talooks will be suppressed; the whole of these talooks will thus be supplied with excised toddy spirit from the central distilleries; it is intended to find a single contractor for each district to undertake the whole arrangement on payment of an annual rental. The remainder of the recommendations of the Board now under consideration have been summarised as follows:—

(3) That the duty be fixed at Rs. 1-2 per gallon of 30° U. P., and proportionately for other strengths, an abatement of 10 annas a

gallon at 30° U. P. being allowed in consideration of the tree-tax already levied when cocoanut toddy is used for distillation, and of 8 annas when palmyra toddy is used. If any material other than toddy be used, the rate of duty should be subject to revision.

(4) That the tree-tax be imposed throughout the Chirakal, Kottayam, Kurumbranad, Calicut and Palghat talooks, half-yearly rates of Rs. 2 on cocoanut trees and Rs. 4 on sagos being substituted for the present annual tax, and the tax on palmyras being raised to Rs. 1-8 for the season.

(5) That in the talooks of Chirakal, Kottayam, Calicut and Palghat, in which the excise system will be in force, the Government deal directly with the toddy drawers, granting tapping licenses on their application, and permitting sale either in temporary sheds during the hours of daylight or in shops during the authorised hours. The fees proposed for licenses to sell are Rs. 4 half-yearly for sheds and Rs. 6 half-yearly for shops. The right of sale at the tree-foot to be withdrawn.

(6) That in Kurumbranad the right of manufacture and vend of arrack and toddy be sold by certain small local areas on condition that the toddy required for distillation and sale as a beverage be procured only from marked trees; the toddy drawers to be licensed on the application of the renters, no right of sale at the tree-foot being allowed.

(7) That the toddy shops in the five municipal towns be sold separately as at present, a tree-tax being levied, and the tappers being licensed on the application of the shopkeepers.

(8) That no change be made as regards the rest of the district except Cochin.

(9) That in Cochin the present system in respect of toddy be continued, but that the monopoly as regards arrack be sold for what it will fetch, no duty or tree-tax being levied, and the renter being left free to procure his spirits from any source he pleases.

(10) That the leases be for one year except in the talooks under excise.

(11) That the establishments be strengthened at a cost of nearly Rs. 17,000.

These details show to some extent the policy of the Abkari Department
in Madras. Their aim is to bring the whole country, even the areas in which
toddy spirit is consumed, under a "system of excise," so that knowledge may
be acquired, taxation better regulated, the administration improved, and
the revenue developed. Even this scheme is not regarded as final. It is
contemplated hereafter to separate the privilege of vend in the towns from
that of supply, and to increase the taxation by shop rents. At present no
one would care to take the contract for supply without the right of sale in
the towns from which most of the renters' profit will be derived.
Considerable opposition was offered at first to this tree-tapping license-fee
system in Malabar, and some time elapsed before a commencement was made.
Eventually it succeeded fairly in the towns, but not so satisfactorily in the rural
tracts. The town farms were found to be too restricted in area, so that sufficient
trees were not available for the supply of toddy for consumption and distillation,
and consumers could easily resort to outside shops for cheaper liquor; also the
establishments were insufficient to prevent illicit distillation. These defects have
been removed by extending the limits of the town farms, and increasing the
preventive force. Tapping licenses are granted on the application of the shop-
keepers in the towns and of the toddy drawers in the rural districts.
The scheme for South Kanara differs from the Malabar tree-tapping
license-fee system mainly in the fact that the revenue is not levied in the form
of a tax on each tree tapped, but in the form of a fee, varying with reference
to locality, imposed on each person taking out a license to tap. The licensee
is not restricted as to the number of trees which he may tap, and his
extends to the sale of toddy at the tree foot during the hours
light, or to the transport thereof to any licensed still for distillation any
shop for sale. The monopoly of manufacture and sale of country in the
town of Mangalore is granted by auction to the highest bidder. shops

in the town are sold separately. The monopoly of manufacture and vend in rural tracts is sold by auction, and consists of the rights (1) to make and sell spirits of prescribed strength, (2) to sell toddy within certain areas termed single-still areas, because one still only is allowed for each such sub-division of a talook. It is proposed to modify the system now in force in these districts. It is considered "defective in that the basis of the scheme is a tax in the shape of a license fee imposed on the toddy-drawers, varying in different localities, but having no reference to the number of trees tapped: hence taxation is not adjusted to the quantity of toddy drawn and its incidence on the intoxicant consumed cannot be adjusted. The object of the scheme, however, was to emancipate the toddy drawers from the farmers, and to bring them into closer relations with the Government as a preliminary to the registration of the trees tapped and the imposition of a tax thereon. The license fee being very moderate, the drawers have come forward freely to take out licenses, and in process of time if the requisite aid in the shape of additional establishments is afforded, it will be possible to make a further advance by levying a tax on each tree tapped." The plan of licensing the toddy drawers brought in an accession of Rs. 56,000 in the first year, and Rs. 18,000 more in the second year. With regard to South Kanara, the following proposals of the Board are now before Government:—

(*a*). To raise the tapping fees to Rs. 36 annually in the town and Rs. 24 in the rural tracts, save in the localities requiring exceptional treatment (*i.e.*, the jungly tracts along the ghats where only palmyra palms can be obtained) in which the existing special rate of Rs. 3 should continue; licenses, to be issued quarterly except those granted at the special rate, which should be half-yearly.

(*b*). To withdraw from tappers the right of sale at the tree foot, and to impose in addition to the tapping fee a separate charge for the privilege of sale in temporary sheds or in shops; the fee for the former being Rs. 2 and for the latter Rs. 3 a quarter. Tappers not licensed to sell should take all the toddy drawn by them direct to a shop or distillery. The right of vend of toddy not to be included in the still-area renter's contract. In the town of Mangalore the shops to be sold separately, the privilege of sale being withdrawn from tappers.

(*c*) To make no change as regards still-area farms except in the Mangalore talook, which should be brought under excise, a central distillery being established at Mulki with a subsidiary still, if necessary, at Mangalore. The rate of duty to be 12 annas a gallon at 30° U. P., and for other strengths in proportion. The upset price for the monopoly to be fixed at Rs. 5,000 per annum, and the lease to be for two years. Close distillation to be insisted upon, but permission to be granted for the use by the contractor of common country stills for a reasonable time to admit of his procuring proper metal-stills.

Certain modifications of the Abkari systems of the Kistna and Godaveri districts have also been proposed as follows:—

(1.) That the tree-tax system be introduced into parts of these districts, if the supply of toddy is sufficient, the toddy shop-keepers in the town of Masulipatam and the renters of the combined arrack and toddy farms within the above areas being required to procure their toddy from marked trees. The tree-tax to be fixed at Rs. 1-8 for palmyras, and Re. 1 for date trees, payable in three instalments.

(2.) That the shops in Ellore and Rajahmundry be sold in one lot, the privilege of manufacturing and selling arrack being kept separate from that of selling toddy.

(3.) That no change be made in the terms on which the rented farms, other than those in the Cocanada and Coringa Divisions, and the Bandar talook, be made, except that the restriction on the manufacture of strong liquor be abolished.

(4.) That the rates of duty in the excise portion of the Kistna district be raised to Re. 1-5 at 30° U. P., and proportionately for other strengths.

(5.) That the size of the farms be reduced wherever possible.

Under the system of levying the toddy or the joint arrack and toddy revenue by means of a fee charged on each toddy tree tapped, forms of licenses and accounts have been prescribed for use as follows:—

(1.) License granting the privilege of selling toddy in town toddy shops sold independently.
(2.) Application for tree-tapping licenses.
(3.) Receipt for tree-tapping license fees.
(4.) Register of tree-tapping licenses.
(5.) Abstract register of tree-tapping licenses.
(6.) Tree-tapping license.
(7.) General permit for the transport of toddy.
(8.) Register of trees licensed to be tapped.
(9.) Register of demand and collections under tree-tapping licenses.

46. **The Amani, or Government Management, System.**—Until recently the town of Madras was managed under Amani, *i.e.*, direct by Government through the Collector of Madras. The system now in force in the town will be subsequently explained. Only certain portions of the Agency tracts of Ganjam, Vizagapatam and Godaveri are now kept under amani, *i.e.*, managed by the Agent to the Governor and his special Assistant. Throughout these tracts toddy is untaxed and left free to the people. As regards country spirits, different systems are in force in different localities. In Ganjam the Khonds are allowed to distil spirits free for home consumption as well as for use at village feasts, marriages, &c., but not for sale. To supply other than Khonds, a fixed number of distillers is allowed for each *muttah* with reference to size and other considerations, licenses being granted to persons nominated by the head of the village on payment of certain annual fees. In Vizagapatam certain tracts are leased out yearly to renters, who have the exclusive privilege of manufacture and sale on payment of lump sums. In the Godaveri district the system of the supply of spirits varies in different small parts of the country, which it is needless to particularize.

47. **The System in force in the Town of Madras.**—The town of Madras contains an area of 27 square miles with a population of 405,848 persons. In 1886-87 there were 101 arrack shops, so that the population per shop numbered 4,018. The reported average price per gallon of spirit 30° U. P. was Rs. 4-8 to Rs. 5-4. Arrack is now under the free-supply system: the shops are all sold separately by auction for one year, shop-keepers obtaining their spirits from any licensed distillery. Colombo arrack is sold in Madras: no strength is fixed for its sale: until recently it was imported by Government, but this has been discontinued, and the importation is left to private individuals. The duty on the quantity imported for consumption in Madras was credited to 'Abkari,' but is now included in the "Customs" receipts. The puttai arrack (so called from putta, a word meaning bark), which is sold also in Madras, is the ordinary country spirit made from jagri and acacia bark: it must be of the strengths 20°, 30° or 60° U. P. There are four wholesale vendors of country spirits at Madras. Until recently the "dowl" system obtained in the town of Madras. By it each shopkeeper was bound to purchase a fixed daily quantity of spirits (according to the class of his shop) or at least to pay the duty thereon, and to retail it at certain fixed rates whether custom was forthcoming or not. The object of the system was to prevent dilution and adulteration of liquor. To ensure this object, a shopkeeper was compelled to take the utmost quantity of spirit he could possibly sell, so that he could not water it or have any interest in illicit distillation. It utterly failed in respect of affording any estimate of the requirements of a shop. A shopkeeper who was obliged to take more liquor than he required could easily dispose of his surplus to another shopkeeper whose wants had been under-estimated. With regard to toddy, Madras and the suburbs are now managed under the tree-tax system. A fee of Re. 1-8 half-yearly is charged for each cocoanut tree tapped, and one rupee for each palmyra and date for the season of yield, *i.e.*, for about three months. A fixed license fee is charged for each toddy shop according to its class.

There are four classes of shops, graded according to the amount of business transacted therein. The shopkeepers employ their own servants as toddy-drawers, paying the tree tax for them. Until the 1st of October 1887 the toddy revenue of the town of Madras was raised under a very peculiar system which had been in force since the beginning of the century. The fee for each tree was two pies a day, and the total fees for the number of trees assigned to a shop constituted the rent (or, as it was termed, dowl) which the shopkeeper had to pay: it was collected daily. The trees from which toddy was allowed to be drawn were all stamped with distinctive marks for each season and registered by the Abkari Department half-yearly. The shopkeeper was allowed not only to have fresh trees marked every year, but to exchange those which had proved unproductive during the course of the year. Extra shops were licensed during the palmyra season at two pies for each tree a day. The tree-tax was equivalent to Rs. 3-12-10 a year; but, as fresh trees were almost invariably stamped every half-year, the incidence per tree was virtually but half that sum. Exchanges during the course of the half-year were not numerous. This old system was abolished, and the tree-tapping system introduced, with a view to get rid of the low-paid collecting establishment and the malpractices which formerly prevailed. Though the shopkeepers were limited nominally to a certain number of trees, they really tapped a larger number, without paying. For the same cost a well-paid, though numerically reduced, establishment has been substituted for the ill-behaved and inefficient subordinates entrusted with making the collections of the town. The new arrangements have been successful in educing system and method from the previous state of disorder. It is hoped that the toddy revenue will be doubled next year. The Abkari arrangements in the town of Madras were examined and revised by the Member of the Board in charge of Abkari early in 1887. On his recommendation the entire management of the Abkari Revenue within the town and of the toddy revenue and arrack shops in certain outside limits were transferred from the Collector of Madras to him: the establishments were completely reorganised: the tapping fees on palm trees imposed: the "dowl" system abolished and license fees substituted: and the rules and accounts remodelled. The tree-tapping tax system, on its introduction, caused a strike of the toddy shopkeepers which lasted nearly two months but was eventually defeated. It entailed no loss of revenue, as greater quantities of higher-taxed country spirits and Colombo arrack were consumed than in the previous year. The Abkari Commissioner has recently proposed to Government to double the tree tax, and Government have sanctioned its increase by 50 per cent. on each kind of palm tree, the original rates having been merely tentative and disproportionate to the retail price of liquor. It is not proposed to sell the toddy-shops by auction, owing to the uncertainties which surround such a system, but to rely on the tree-tax for the bulk of the revenue and to adjust the licence fees annually to the transactions of each shop as shown by the number of trees marked for it during the preceding year.

In Madras town (as well as in the mofussil) there are also licenses for the sale of imported (or "foreign") liquor. There are wholesale licenses on fixed fees: retail licenses on fixed fees for the sale of liquor (above one pint) not to be drunk on the premises: tavern licenses (sold by auction) for the retail sale of liquor to be consumed on the premises: hotel licenses and refreshment-room licenses of various descriptions. The revenue derived from this source is included under the head "Miscellaneous" for the Presidency.

The total collections in Madras for the year 1886-87 were:—

Arrack.	Toddy	Miscellaneous.	Total.
Rs.	Rs.	Rs.	Rs.
6,74,621	3,62,328	22,867	10,59,816

48. The Revenue from Toddy.—The ordinary method of farming the toddy revenue separately from the arrack farms is in force throughout the Madras Presidency, except (1) the town of Madras, and (2) the districts in which toddy spirit is consumed, in which the arrack and toddy farms are rented jointly. No toddy revenue is raised in the Nilgiris, or the Wynaad talook of Malabar. In Madras and the suburbs it is now managed on the tree-tax system as described in the last paragraph: in the rest of the Presidency the exclusive privilege of sale (not of drawing or manufacture) within

a certain district or part of a district is assigned for a lump sum, and the renter is free to obtain his supplies from trees within the area leased, and under certain circumstances with the Collector's permission from trees outside the farm, without further payment to Government. Under his license the renter is not allowed to sell toddy below the minimum price of two annas per gallon or one pie for two drams. In some towns the shops were in 1886-87 sold separately: the privilege conferred by the license to sell toddy at such shops extends only to the manufacture and sale: the licensees are not permitted to sell toddy below three annas per gallon or three pies per four drams; in both cases of the district and town shops the distillation of spirits from toddy is absolutely prohibited. In the same year the plan of reducing the size of the vend-farms was extended to toddy; the system of raising the revenue by means of a tree-tax was introduced into a portion of Malabar, and the system of licensing toddy-drawers into South Kanara. Also the term of the leases was altered, so that they might terminate at the end of September, which was considered a better time for the renewal of contracts. The policy of the department is to abolish the primitive plan of farming this branch of the revenue, and to develop it, if possible, by working it on sounder principles, and introducing measures such as a system of tree-tax analagous to that in force in the town of Madras, which, if successful, will enable Government to control the traffic effectually and regulate taxation. The object is to dispense with the services of the middle-man or farmer, and appropriate to Government the profits hitherto realized by him. The design is thus to raise the taxation on toddy in the course of time, and to diminish the incitements to drunkenness which are now caused by the extreme cheapness of the beverage as compared with arrack. During the last two years considerable progress has been made in this direction by the subdivision of farms and the sale of shops separately in the most important towns, with the result that the toddy revenue has been largely augmented, as the following figures show:—

District.	Annual rate of [illegible] for the lease from		
	1st April 1885 to 30th June 1886.	1st July 1886 to 30th September 1887.	1st October 1887 to 30th September 1888.
	Rs.	Rs.	Rs.
Ganjam	11,055	14,673	15,375
Vizagapatam	38,532	43,316	34,405
Nellore	24,585	28,215	46,407
Cuddapah	72,368	77,808	1,10,033
Anantapur	1,21,720	1,63,156	1,77,425
Bellary	1,78,859	1,88,162	2,27,213
Kurnool (excluding Cumbum and Markapur) ...	1,99,616	2,66,444	2,34,255
Chingleput	1,23,360	1,97,952	1,69,877
North Arcot	1,91,124	2,27,988	3,02,582
South Arcot	1,59,340	1,47,407	1,55,108
Tanjore	5,20,552	5,00,000	6,53,775
Trichinopoly	66,520	97,530	98,43[illegible]
Madura	88,952	82,689	1,29,412
Tinnevelly	76,120	1,09,152	1,19,961
Coimbatore	2,03,196	2,21,632	3,40,882
Salem	2,62,584	2,68,860	3,26,014
Total ...	23,38,483	26,34,984	31,41,160

It is considered probable that the heavy incidence of taxation on arrack, since the introduction in the latter half of 1884-85 of the monopoly-supply and free-supply system, has stimulated the consumption of toddy.

The Abkari Commissioner has submitted proposals to Government for the ensuing leases as a further step towards the elimination of the middleman-farmer. They are as follows:—

(1) To sell the toddy shops separately throughout the Nellore, Conjeveram, Gudiyatam, Chidambaram, Kumbakonam, Negapatam, Periyakulam, Tenkasi, Coimbatore, and Hosur talooks, tapping licenses being issued by the revenue establishments on the application of the shop-keepers.

(2) To introduce the tree-tapping license-fee system in the Saidapet, Walajapet, Cuddalore, Tanjore, Trichinopoly, and Salem talooks, the rates of tree-tax being fixed at Rs. 2 per half-year on cocoanut trees, and at Re. 1-8 and Re. 1 on palmyras and date trees, respectively, for the whole period of yield.

(3) To strengthen the preventive and clerical establishments in the districts in which it is proposed to introduce the tree-tax at an aggregate cost of about Rs. 24,000 per annum.

(4) To adopt the modifications suggested by certain Collectors with regard to the subdivision of farms in their districts and to retain the existing farms in the other districts.

(5) To sell the leases of the joint arrack and toddy farms in the Cumbum and Markapur taluks of the Kurnool district for another year on the existing terms.

49. **Distilleries. Messrs. Morison's Distillery, Ranipet (Arcot).**—There are in the Madras Presidency 16 large distilleries, the property of European and Native firms. The buildings belong to the firms, and not to Government as in Bombay. They have no guards, and work night and day when the distillers have conformed to the regulations of the Abkari Department as to "close" distillation, by which no distilled spirit can be removed from the stills without the cognizance of the Abkari officer. The Assistant Inspector in charge of a distillery has only two orderlies. Each distillery is supplied with one of Sikes' hydrometers by Casella, in 5 parts. Elaborate instructions and forms of accounts have been issued for the guidance of officers of the Department in the supervision and management of distilleries, public and private, and private warehouses, and for the issue of spirits therefrom. There are no public distilleries at present.

Messrs. Morison's distillery at Ranipet, Arcot, may be taken as a specimen of the large private distilleries of the Madras Presidency. It was established in the year 1842, originally on a smaller scale, and has gradually been enlarged to its present dimensions. Continuous distillation is carried on day and night, if necessary, when there is sufficient fermented material ready to be worked off. The best European machinery is employed in the distillation. One of the stills is on Coffey's principle, by the well-known English makers, Pontifex and Wood, and cost about £2,000. The distillation is effected by steam supplied from a boiler. The material is passed through the receiving vat, the analysing column, the condensing cylinder, and the refrigerator, until the pure spirit is seen passing away to a large vat marked as capable of containing 2,158 gallons. There is another still by a French maker. There are also a rectifying still and a gin still on the premises. The average outturn is about 1,000 gallons of arrack a day at 10° to 25° O. P. if the still is worked night and day: the total outturn is about 300,000 gallons a year. By this distillation the fusel-oil is eliminated so completely that, though the spirit is purer than the spirits made by the native process, it is not so popular with consumers. The stills are guarded by revenue locks, so that not a drop of spirit can be removed without the knowledge of the Assistant Inspector (of the grade of Rs. 100 to Rs. 150 a month) in charge of the distillery. Sugar, jagri, and molasses are the materials used for distillation. There are rows and rows of fermenting jars and barrels in three long sheds. The spirit is all reduced to the strength of 30° U. P. by blending in the storing-room before it is issued. The charge for spirit at 30° U. P. is 10 annas 6 pies to purchasers at the distillery: the prices are necessarily higher to purchasers at a distance, to allow for the cost of transport. This distillery supplies the whole requirements (120,000 gallons) of the North Arcot district, and also sends large quantities to Madras, Chingleput, Nellore, Kurnool, and Cuddapah. Messrs. Morison have other distilleries also, at Palmanér in the North Arcot district and at Salem.

50. **Incidence of Taxation per Gallon.**—It will be remembered that one of the recommendations of the Abkari Committee of 1884 was that a standard rate of excise duty on country liquor on issue should be fixed, and the total taxation differentiated in respect thereof by license-fees or other methods of payment for the right of vend, varying according to the circumstances of different localities. The rate of revenue realised per gallon of spirit 30° U. P. by means of still-head duty and vend-farm rents in Excise Districts during the second half of 1884-85, when the new plan was first

brought into operation, is shown in the following statement. The information regarding the selling prices here given is not considered trustworthy :—

District.	Revenue per gallon of 30° U. P.			Equivalent per gallon of proof spirit to a charge of	Selling prices per gallon of 30° U. P.
	Still-head duty.	Vend farm rents.	Total.		
1	2	3	4	5	6
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Ganjam	1 4 0	1 2 6	2 6 6	3 7 0	3 5 5
Vizagapatam	1 2 0	1 8 1	2 10 1	3 12 1	3 12 9
Nellore	1 4 0	1 8 0	2 12 0	3 14 10	3 14 7
Cuddapah	1 6 3	2 9 4	3 15 7	5 10 10	4 8 0
Anantapur	1 6 3	1 13 8	3 3 11	4 10 2	3 13 0
Bellary	1 8 3	1 14 10	3 7 1	5 6 4	4 0 7
Chingleput	1 6 0	1 2 11	2 8 11	3 10 5	4 1 10
North Arcot	1 6 0	1 9 3	2 15 3	4 3 6	4 0 11
Tanjore	1 7 5	0 12 3	2 3 8	3 2 11	3 6 7
Trichinopoly	1 6 0	1 5 0	2 11 0	4 4 8	4 2 4
Madura	1 7 0	1 1 4	2 8 4	3 9 7	3 10 0
Tinnevelly	1 8 1	1 3 1	2 11 2	3 13 8	3 9 1
Coimbatore	1 8 3	3 3 7	4 11 10	6 12 4	4 10 11 (*sic*)
Nilgiris	2 6 6	2 0 5	4 6 11	6 5 4	4 14 0
Salem	1 4 6	2 8 9	3 13 3	5 7 6	4 14 0
Wynaad	1 15 0	0 5 4	2 4 4	3 3 11	4 14 11

A statement for the year 1886-87, showing the issues from the distilleries, the total revenue from excise duty, the rents for the privilege of vend, and the incidence of revenue per gallon of 30° U. P. will be found in Appendix X. It will be seen on comparison that the rate of incidence has varied considerably during the two years. In most cases the rate is higher during the later year, but in some cases it is lower. This is to be accounted for not only by the variations in the rates of duty, but also by the fluctuations in the rents obtained for the privilege of sale. It is claimed on the one hand for the free-supply system that taxation can be regulated generally by variation of the still-head duty, while its closer adjustment to the circumstances of the population in different tracts is provided for by taking a portion of the revenue in the form of vend-rents, the incidence of which depends on the bids of those concerned in the trade, who are best qualified to estimate the capabilities of the areas for which they compete. On the other hand, it is admitted that in this system, whereby a fixed rate of duty is supplemented by vend-rents, there is a defect which prevents it from being considered theoretically perfect as a system of excise, viz., that the Government, being dependent *pro tanto* on the bids obtained for the vend-farms, lose their control to that extent over the taxation, and are not able themselves to adjust their taxation to local circumstances. It is regarded as inconsistent to fix differential rates of duty according to the capability of a tract to bear taxation, and at the same time to take no precautions to prevent the duty from being enhanced to any extent by excessive vend rents. It has been suggested that the remedy for this state of things is the re-imposition of maximum limits to retail prices: such a measure would tend to check speculative bidding, as bidders, knowing exactly the margin between the still-head duty and the authorized retail price, will be able to calculate to a nicety what they can afford to offer, and would no longer be tempted to place reliance on enhancement of selling prices in order to save themselves from loss. Reckless bidding has resulted in some cases from the enlargement of the field of competition, but such speculation works its own remedy, and moderation has already been taught by the losses which have been sustained. It will not be long probably before the normal value of each vend-farm becomes well known to the trade and the Department. It should be mentioned that the attempt to regulate retail prices has been abandoned, as Government have declined to sanction maximum rates of retail selling prices, on the general ground that consumers and sellers should be allowed freedom of action in such matters; though a minimum price is still prescribed in some districts (other than the excise tracts) in compliance with the existing law, little or no attention is paid to it.

51. **Rates of Duty.**—The rates of still-head duty per gallon of spirit 30° U. P. in 1884-85 have already been shown in the preceding paragraph

The changes effected in the rates of duty in 1886-87 and 1888-89 are shown in the subjoined statement:—

Local Area.	20° U. P.		30° U. P.		60° U. P.	
	1886-87.	1888-89.	1886-87.	1888-89.	1886-87.	1888-89.
1	2	3	4	5	6	7
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Districts.						
Ganjam	1 9 2	1 8 0	1 6 0	1 5 0	0 12 7	0 12 0
Vizagapatam (excise)	1 6 10	1 8 0	1 4 0	1 5 0	0 11 5	0 12 0
Kistna	0 13 9	0 14 0	0 12 0	0 12 0	0 6 10	0 7 0
Nellore	1 8 5	2 0 0	1 5 4	1 12 0	0 12 2	1 0 0
Cuddapah	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Anantapur	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Bellary (except the Bellary cantonment).	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Kurnool (the talooks west of the Nallamalais).	1 8 0	2 0 0	1 5 0	1 12 0	0 12 0	1 0 0
Madras (including the outside limits and the Poonamalli revenue village).	3 3 2	3 0 0	2 12 10	2 10 0	1 9 7	1 8 0
Chingleput (except the outside limits and the Poonamalli revenue village).	2 8 0	2 8 0	2 3 0	2 3 0	1 4 0	1 4 0
North Arcot	2 8 0	2 8 0	2 3 0	2 3 0	1 4 0	1 4 0
South Arcot (except Tindivanam, Villuparam, and Cuddalore talooks).	......	2 4 6	2 0 0	2 0 0	......	1 2 3
South Arcot—Tindivanam, Villuparam, and Cuddalore talooks.	......	1 8 0	2 0 0	1 5 0	......	0 12 0
Tanjore	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Trichinopoly (except Trichinopoly and Srirangam towns).	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Madura	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Tinnevelly	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Coimbatore	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Nilgiris	2 8 0	3 0 0	2 3 0	2 10 0	1 4 0	1 8 0
Salem	2 0 0	2 0 0	1 12 0	1 12 0	1 0 0	1 0 0
Malabar—Wynaad talook	2 8 0	3 0 0	2 3 0	2 10 0	1 4 0	1 8 0
Malabar—Cannanore *cum* Tellicherry, Calicut, and Palghat town farms.	......	0 10 0	......	0 8 0	......	0 4 0
South Kanara—Mangalore town ...	......	1 2 0	......	1 0 0	......	0 9 0
Towns.						
Cuddapah	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Adoni	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Bellary Cantonment	2 8 0	3 0 0	2 3 0	2 10 0	1 4 0	1 8 0
Tanjore	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Kumbakonam	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Trichinopoly	2 8 0	2 8 0	2 3 0	2 3 0	1 4 0	1 4 0
Srirangam	2 8 0	2 8 0	2 3 0	2 3 0	1 4 0	1 4 0
Madura	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Coimbatore	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0
Salem	2 8 0	2 0 0	2 3 0	1 12 0	1 4 0	1 0 0

In Appendix IX will be found a statement showing how the rates of still-head duty have been increased during the last five years in accordance with the principle laid down by the Government of India, that the rate of still-head duty should be gradually raised to the Tariff rate.

52. **Number of Shops—Arrack and Toddy.**—In Appendix XI will be found a statement showing the number of retail arrack shops for each district of the Presidency with columns showing the number of square miles and the number of population on an average to each shop. The following figures show how the number of shops has varied in the last four years—

	Country spirits.	Arrack and toddy.	Toddy.
1883-84	16,975	......	18,727*
1884-85	19,113	6,868	12,701
1885-86	21,373	11,998	14,214
1886-87	~~26,633~~ 21,730	14,546	15,943

* This includes arrack and toddy.

The country-spirit shops include those in the rented districts, where they are certainly more numerous, as well as those in the excise districts. Taking the excise districts separately, they have increased from 8,883 in

1885-86 to 10,022 in 1886-87. In the former year there was on an average in the rural tracts one shop to every 11·2 square miles, and 2,536 persons; in the latter year, one to every 10 square miles, and 2,261 persons. The number of town shops also increased.

The number of country-spirit shops has increased by reason of the sub-division of the areas of vend. But it is not clear why the number of toddy shops has not increased equally. It is regarded as impracticable to fix a standard proportion of shops with reference to area and population. The factors considered in determining the distribution of arrack shops are—(1) the density of the population; (2) the proportion of the drinking to the non-drinking classes; (3) the price at which liquor can be sold; (4) the preference for spirits as compared with toddy. The Board of Revenue laid down in 1886 that facilities for obtaining liquor should not be unduly multiplied, and the Local Government declined to fix any standard without further experience.

53. **Statistics of Consumption of Country Spirit: the Drinking Classes.**—In Appendix XII will be found a statement showing the consumption of country spirits in gallons of strength 30° U. P. (except in the case of the town of Madras, where the strength is 25° U. P.) for six years, from 1882-83 to 1887-88. The fluctuations in the several districts and the differences between the facts of one district and another are remarkable. The total increase throughout the 19 districts represents a very small additional consumption per head throughout the Province, and betokens no great change in the habits of the people. The increase of population and the advancing property of the country must always be borne in mind in considering such figures.

A calculation of the percentage of the drinking population to the whole population was made in 1884: the figures are reproduced in a statement in Appendix XIII. These statistics are not regarded as trustworthy: it is not explained on what system or basis the calculation was made.

54. **The District Administration of the Abkari Revenue.**—There is not in the Madras Abkari Act a special section like section 4 of the Bombay Act V of 1878, by which "the Collectors are charged with the collection of the Abkari Revenue and with the carrying out of the provisions of the Act," but throughout the Act the Collector is treated as the executive authority in whom the powers (with very few exceptions) given by the Act are vested, unless they are specially reserved for Abkari officers. The Collectors are, however, practically little concerned with the administration of the Abkari Revenue; the Sub-Collector, the Head Assistant, and Deputy Collector in charge of divisions of districts, likewise do little or no Abkari work. A Collector has no Deputy Collector at head-quarters in charge of the Abkari Department. Important matters of Abkari administration are for the most part personally discussed by the Collector with the Commissioner on his tours. Routine matters are of course disposed of in the Collector's office. The revenue subordinates throughout the district, such as the tehsildars and the talook serishtadars (all of whom have magisterial powers) at the head-quarters of each talooka, or the deputy tehsildars at out-stations, give no real help to the Abkari administration: they only sign permits and check consignments of liquor when a talook renter sends it to his farm from a distillery. As the latter is obliged to send a month's supply at a time, the revenue officer has only to perform this checking once in a month. All these officers have had certain small powers under the Act delegated to them by notification. The Revenue Inspectors, who have to look after the cultivation of land assessed to the payment of revenue may also have powers to sign and check transport permits delegated to them; they also check consignments of liquor. Head-men of villages are supposed to co-operate for the prevention of Abkari offences, but in fact it is alleged that they concern themselves but little with the matter. Almost all the Abkari payments pass through the talook treasuries of the tehsildars. It will thus be seen that the Abkari Department derive little assistance from the revenue staff of a district, and I am informed that the Police Department are not active in prosecuting Abkari offenders: the Abkari officers have therefore to rely for the most part on their own energies for the prevention and detection of offences, and for the conduct of the Abkari administration. The district of Kanara is an exceptional case. The whole Abkari system there is worked by the revenue establishment; the system in force, viz., of licensing the toddy-drawers, without levying any tax per tree, having been devised by a late Collector.

The Abkari Commissioner has recently applied to Government to issue such orders as will ensure the active co-operation of the village establishments and police in suppressing illicit tapping and illicit distillation. Great use has been made by Government of the sections of the Madras Abkari Act—(1) to invest by notification officers of the Abkari and Salt Department as well as subordinate Revenue officers with different degrees of power within their respective jurisdictions, in respect of the issue of special permits for the transport of liquor and of licenses to possess special quantities of liquor, to deal with persons arrested, hold enquiries and dispose of cases of offences against the Act; (2) to delegate the powers of Government under sundry sections to the Commissioner of Abkari; (3) to allow the Commissioner and the Collectors to delegate their powers to their subordinates; (4) to prescribe the instruments to be used in the testing of liquor and the tables of correction according to temperature to be used therewith; (5) to regulate the disposal of articles confiscated under the Act and of the proceeds thereof; (6) to prohibit the transport of certain kinds of liquor from certain local areas to others; (7) to issue rules for the supervision of breweries and for the establishment and working of distilleries and private warehouses, and for other purposes which need not be enumerated.

55. **The Abkari Establishments.**—It has already been recorded that the Local Government decided in 1884 to entrust the Salt Department with the duty of prevention of Abkari offences. The Salt establishments were accordingly augmented to the following extent:—

(i) The appointment of an additional Assistant Commissioner:

(ii) The appointment of a sufficient additional number of Assistant Inspectors to allow one officer of that class to be posted to each distillery and depôt of excise:

(iii) The creation of three additional circles (Tirukoilur, Tinnevelly, and the Nilgiris) for the occupation of parts of the country for which no Salt preventive force, or only a very small one, had hitherto been provided:

(iv) The appointment of fifty additional Sub-Inspectors for the better inspection of liquor shops and for other minor Abkari preventive duties.

It has been somewhat difficult to ascertain the cost of the establishments debited to the Abkari Department, and it is impossible to state separately the numerical strength or distribution of the officers employed for Abkari purposes. All that can be said is that the whole force of the Salt establishment, as enlarged since it took over Abkari duties, is available for those duties. I had wished to compare the cost of the Abkari establishments in the three Presidencies—Madras, Bombay, and Bengal—employed for the purposes of inspection, prevention, and detection, exclusive of the superior officers of gazetted grades and those engaged on clerical duties. Such a comparison cannot be made with any approach to accuracy, the establishments being sanctioned on different principles. In Appendix XIV are two statements showing (1) the proportion of the total Salt charges debitable to Abkari for 1887-88, (2) the details of pure Abkari charges. The total Salt charges are shown to amount to $15\frac{1}{3}$ lakhs of rupees, of which Rs. 1,86,197 are calculated to be the "increase on account of Abkari." The "pure Abkari charges" are stated to be Rs. 56,908; so that the total of the Abkari charges is stated to be Rs. 2,43,105. The net sum debitable to Salt is Rs. 12,75,567. Other statements have been furnished to me showing the strength of the superior clerical and menial establishments of the combined Salt and Abkari Department on the 31st March 1888 sanctioned on account of *the addition* of Abkari to Salt duties—(*a*) Permanent Rs. 38,950, (*b*) Temporary Rs. 8,460; total Rs. 47,410; and the strength of the Inspecting establishments Rs. 1,24,116 and for distilleries, at a cost of Rs. 50,988, total Rs. 1,75,104; grand total Rs. 2,22,514, the total cost of the Salt and Abkari Department being on 31st March 1888 Rs. 13,25,343. The latter figures represent the cost of the sanctioned establishments above, while the former figures represent the actuals under establishment and contingencies. It is obvious that a number of Miscellaneous charges, the salaries of Deputy and Assistant Commissioners, &c., must be excluded from the totals Rs. 2,43,105 or Rs 2,22,514 debited to Abkari before the cost of the establishments which I am seeking could be arrived at. The cost of such establishments would be found to be much less than two lakhs of rupees. But this would convey a very erroneous impression, having regard to the whole strength of the Salt Department potentially available to the Abkari Department for detective purposes, so that there is practically no use in attempting such a comparison as I have instituted between the Bombay and Bengal Abkari establishments. There is one point specially worth noticing in connection with establishments in Madras. No charge is now made to distillers for the cost of distillery establishments. It is considered useless and undesirable to make such a charge, as the distillers must necessarily add it to their cost of manufacture, and recoup themselves for it by some means at the expense of Government, and they will probably take care to guard themselves from any loss by charging more in the aggregate than they have been charged for the establishments. A case may be given in illustration of this point. In making tenders for the manufacture and supply of country spirits in a district a firm tendered a rate of Re. 1-5 per gallon, if a charge were to be made for establishments, and Re. 1-6 if no such charge were to be made, *i.e.*, a difference of one anna per gallon. The consumption of the district averaging above 54,000 gallons, the tenders differed in amount by not less than Rs. 3,375. The maximum sum which the firm could have been charged for establishments would have been Rs. 3,000 a year and would probably have been much less.

It should also be mentioned that in Madras preventive establishments are sanctioned at considerable strength when it is desired to obtain a specific object. The lease to Messrs. Parry & Co. of the monopoly-supply of arrack to the South Arcot district was specially continued until the 31st December 1887, (although the rest of the country was being brought under the free-supply system,) on account of the propinquity of the French territory of Pondicherry and the negotiations in progress with the French Government for the assimilation of the systems of management of the Abkari revenue in French and British territory. From the 1st January 1888 the free-supply system has been introduced in South Arcot, Messrs. Parry's contract not having been renewed. The preventive establishment on the Pondicherry frontier has been strengthened at a cost of about Rs. 10,000 per annum, and an estimate recently made shows a probable increase of Rs. 1,40,000 in the Abkari revenue of the South Arcot district in the year.

OBSERVATIONS.

56. **The theory of Abkari Revenue Administration.**—There are certain principles of the theory of Abkari Revenue Administration which I find more or less generally recognised in the reports and papers on this subject, and it may be well to set them out as concisely as possible, with respect to intoxicating liquors.

Free trade in the sale of intoxicating articles leads to an increase of drunkenness and crime; free trade is therefore to be set aside.

A civilized Government is accordingly bound to interfere and regulate the traffic in intoxicating liquors as being a dangerous luxury; (in India the traditions of the country are consistent with interference by Government); the extent to which a Government should interfere is a question of degree in which experience and expediency must be the guides.

The general result of experience and expediency is that the Government monopoly system (*i.e.*, the exclusion of free trade) in recognizing the almost universal craving of mankind (especially of those who have hard manual labour to perform) for stimulants, enables it to be indulged in with moderation, and throws obstacles in the way of all excess.

Government can best regulate the liquor traffic by the imposition of taxation. The imposition of taxation, as experience shows, leads simultaneously to (1) restriction of consumption, (2), increase of revenue.

Taxation should be imposed primarily with a view to restrain consumption of intoxicants, and not to make revenue out of their sale.

Government interference may properly lead to an increase of Abkari revenue, as a concomitant incident of (1) restriction of consumption, (2) prosperity of the people; subject to the general proviso that revenue is not the primary consideration in regulating the liquor traffic, and that therefore Government should not stimulate consumption.

Restriction cannot be absolute: there is a point at which illicit distillation and smuggling supervene.

The imposition of taxation, to be successful, depends upon knowledge of the subject, such as the habits of the people, their requirements, the varying conditions of the country, the effects of previous measures, &c., &c.

The expression "a maximum of revenue from a minimum of consumption" is a convenient way of stating the Abkari policy in an epigrammatic form, but is not literally correct. If consumption were reduced to 0, the revenue would also be 0, and not at a maximum figure.

There may be free trade in the *manufacture* of intoxicants, which will cheapen the cost price of the liquor itself and stimulate improvement of the article;

the improvement of the article will be good for the health of the people;

the cheapening of the cost price of the liquor does not involve necessarily the lowering of the sale price, but affords a wider margin for taxation.

Taxation may be imposed either (1) by levying still-head duty on each gallon of spirit, or (2) by a lump-sum system without regard to each gallon.

(Under (1) fall the principal Bombay and Madras systems above described and the Bengal sudder distilleries: under (2) all unrestricted farming and outstill systems.

The superiority of (1) is generally conceded—when it can be introduced and established—on the grounds that under it (*a*) more accurate knowledge, *e.g.*, of consumption, (*b*) better control, (*c*) higher revenue, can be obtained.

But circumstances (chiefly the nature of the country) do not always admit of a large distillery (*i.e.*, a still-head duty system) being established; so that unrestricted "farming" or "outstills" are necessary in some parts of the country as the only way of taxing country liquor.

"Outstills" are in fact "farming" on a smaller area: a farming system over a small area is preferable to a farming system over a large area, as it is more easily manageable.

Thus the question of introducing "distilleries" or "outstills" turns on the circumstances of each case, *i.e.*, a district or larger or smaller area.

It may be said that a large distillery system depends on the following conditions:—

- that the manufacture of spirits can be concentrated in central localities;
- that trustworthy supervision is available at each such locality;
- that the tracts to be supplied from the places at which manufacture is concentrated shall be connected with them by railroads, or by canals or roads open to traffic all the year round; and
- that the spirits which the consumers demand shall be of such a kind that they will bear without deterioration the carriage from the place of manufacture to the place of retail sale.

The malpractices to be guarded against are:—

(*a*) illicit distillation in the area served by the distillery;
(*b*) smuggling of cheaper liquor into the distillery area;
(*c*) smuggling out of the distillery of non-duty-paid or insufficient-duty-paid liquor;
(*d*) adulteration of the spirit within the distillery by the admixture of sugar or other foreign substance;
(*e*) drinking within the distillery before the liquor is tested and duty levied on it;
(*f*) disturbance of the adjustment of the hydrometers in use;

Where outstills are established, the following matters are found to be difficult:—

(*a*) to obtain knowledge of the outturn and strength;
(*b*) to secure the wholesomeness of the liquor;
(*c*) to restrict the outturn;
(*d*) to raise the retail price and thereby restrict consumption;
(*e*) to secure, as Government revenue, a fair share of the profits;
(*f*) generally, to maintain sufficient control and check.

Outstill-holders may be expected to assist in suppressing illicit distillation and smuggling.

At outstills weak spirits, which are in demand in some localities, are produced: if outstills were to be abolished, the people would either be deprived of liquor entirely, or have to buy stronger liquor.

The rate of taxation is a matter for consideration: it should be increased according to the cost of the liquor taxed: it should vary on each class of liquor according to its noxiousness or strength.

Opinions differ as to whether the rate of duty on country spirit should be raised to the rate of duty on imported spirits; also whether the rate of duty on weak country spirit should ever be levied at the tariff rate on proof spirit.

Some say the rate of duty ought to favour the consumption of weak spirit rather than the strong, and that the rate of duty on the weakest spirit should be very low indeed.

On the other hand, experience shows that if country spirit is cheapened by the quality being weaker, the quantity consumed is increased; so that no good is done by taxing weak spirits at low rates.

57. **Comparative statement of the Abkari, and Abkari Opium, Revenue in Bengal, Bombay and Madras in 1886-87.**—I have brought together in the following statement the main figures of the Abkari, and Abkari opium, Revenue in the three Presidencies in a form which admits of their easy comparison. It would require more time and space than are at my command to trace the causes of the patent differences in the result here exhibited. The large revenue derived from opium and drugs is beyond the scope of my enquiry. But it should not be forgotten that the fact of this large revenue being obtained from these sources has an important bearing on the amount of the revenue from country liquor. The same people cannot generally afford to purchase both narcotics and intoxicating drinks. It has been repeatedly shown that the consumption of the various liquors and drugs used in Bengal has (to use the words of the Excise Commission of 1883-84) "what may be termed a geographical distribution." Again, the lightness of taxation on one such article as toddy, or the concession of privileges in the case of another article as pachwai (rice-beer), seriously interferes with the development of taxation on country spirits. The incidence on the population of the whole province of the revenue from any exciseable article is therefore likely to mislead, unless the figures from which it is calculated are examined in detail. But, presuming that the natural demand of the people for the several kinds of stimulants varies in different parts of the countries, it is a problem well worthy of the fullest investigation whether in the case of each article in the area where it for one cause or another predominates, the best measures possible have been adopted to restrict its consumption, and to increase the revenue derived from it. Whether any effort should be made by Government to affect the causes at work, and endeavour to substitute the use of country liquors for the more deleterious narcotics is a question of a different character, with which I am not now concerned. It is in view of the actual existing facts that a comparative enquiry into the systems of Abkari administration in force with respect to the taxation of country liquor in different Presidencies may lead to some important and beneficial results.

Head of Revenue.	1885-86.									1886-87.								
	Bengal.			Bombay.*			Madras.			Bengal.			Bombay.*			Madras.		
	Population.	Revenue.	Incidence per head of population.	Population.	Revenue.	Incidence per head of population.	Population.	Revenue.	Incidence per head of population.	Population.	Revenue.	Incidence per head of population.	Population.	Revenue.	Incidence per head of population.	Population.	Revenue.	Incidence per head of population.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
		Rs.			Rs.			Rs.			Rs.			Rs.			Rs.	
Imported foreign liquor.	66,591,453	2,95,877	·004	16,489,274	97,852	·006	30,868,504	65,642	·002	66,591,453	3,18,153	·005	1,64,89,274	1,08,845	·007	30,868,504	76,335	·008
Country liquor ...	......	53,19,324	·080	......	72,39,399	·442	......	79,27,304	·257	......	56,58,824	·085	......	75,24,046	·456	......	83,31,280	·270
Intoxicating drugs ...	......	19,85,043	·030	......	2,08,437	·013	......†	......	...	......	21,17,777	·032	......	2,18,042	·014	......†	......	...
Abkari opium ...	......	19,75,559	·030	......	11,50,438	·070	......	7,54,812	·024	......	20,19,146	·030	......	11,62,845	·070	......	6,76,818	·022
Miscellaneous ...	......	5,770	...	......	1,04,798	·006	......	75,748	·002	......	9,230	...	......	1,01,715	·006	......	16,479	...
Total ...	66,591,453	95,81,573	·144	16,489,274	88,50,919	·536	30,868,504	88,23,506	·286	66,591,453	1,01,23,130	·152	1,64,89,274	91,15,293	·553	30,868,504	91,00,462	·300

* The figures given for "Bombay" include those for Sind and Aden.
† Until the Madras Abkari Act of 1886, the traffic in 'intoxicating drugs' was not subject to any control in that Presidency.

58. **Comparison of the Bombay and Madras Abkari systems.**—All the various systems in force in the two Presidencies have been separately described in the preceding paragraphs; in the case of the Bombay Presidency, the two systems, which are now specially under trial there have been compared in paragraph 16. It remains now to compare the principal systems of the two Presidencies, viz., (*a*) the still-head duty, central distillery, guaranteed minimum revenue system of Bombay; and (*b*) the free-supply system of Madras.

It must be always remembered that theoretical considerations alone cannot decide which is the best system of Abkari administration for a Presidency, district, or other area of country. The circumstances of each locality must be carefully regarded. But the object to be universally aimed at is to increase the rate of taxation to the limit at which it leads to illicit distillation. If a system therefore is more flexible than others, *i.e.*, more capable of being adjusted to different localities, it is a distinct point in its favour with a view to its general adoption.

In both Presidencies the policy has long been to abolish all unrestricted farming or renting systems on the grounds that they are unscientific and unremunerative. Remains of such systems are still to be found in both Presidencies, but it is unnecessary here to say more than that they will be got rid of altogether as soon as circumstances permit.

(I.) The common feature of both the principal Madras and Bombay Abkari systems is that they are (to use the Madras technical term) "excise systems," *i.e.*, worked by the levy of a still-head duty on each gallon of liquor issued from a large distillery: in Madras the rate of taxation per gallon depends only partly on the still-head duty: it also depends partly on the "vend-rents:" in Bombay it depends wholly on the still-head duty. It is claimed for the Madras system that these "vend-rents" (settled by the auction of shops) adjust the total duty to the requirements of various localities situated within the area supplied from the distillery, so that in the backward tracts liquor is less highly taxed than in the more advanced areas, and it might be thought that the Bombay system would fail in this respect, in that the duty should be uniform throughout the area of the contract, as varying rates of still-head duty might lead to fraud. On the other hand, different rates of duty are as a fact levied in different parts of some districts in Bombay, and fraud is said to be prevented by checking the transport-permits of the liquor supplied to each shop in any part of a district.

It is claimed for the Madras system that by the plan of realising taxation partly by still-head duty, partly by vend-rents, a higher total incidence of taxation is obtained than by levying only still-head duty as in Bombay. A comparison of columns 2 and 3 of Appendix V and 8 and 9 of Appendix X will show what weight should be attached to this point.

It is admitted to be a flaw in the Madras system that in respect of the "vend-rents," Government *pro tanto* relinquish their control over the rate of taxation, so that it to some extent depends upon speculative bidding. On the other hand, speculation works its own remedy when a few failures have occurred: if maximum prices are fixed, the limit of speculation is at once calculable; even if they are not fixed, the limit of price which consumers can pay will soon be ascertained, and bids will be regulated accordingly.

The main distinction between the Bombay and Madras systems is that in the former the supply (including manufacture) *and* sale of spirit are together made over to a monopolist; in the latter there is no monopoly of supply, and the privilege of sale is separate from that of supply.

In contrasting these systems, the arguments set out in paragraph 16 should be referred to: for in fact the Bombay "extra-percentage" system is the same in principle as the Madras free-supply system, so far as the rate of taxation is concerned. Under the Bombay extra-percentage system, the bidder has to pay a fixed still-head duty *plus* the extra-percentage thereon, and he must calculate the total incidence per gallon (of consumption of the district) to ascertain what he can afford to bid. Similarly in Madras the bidder has to pay a fixed still-head duty, and to calculate the total incidence per gallon, including his "vend-rent."

To return then to the principal Madras and Bombay systems. Free supply must in theory be better than a monopoly, but it is a question how far in Madras the vendor has really any freedom of choice where he shall obtain his supplies, and he has no right to manufacture at all. The number of large distilleries throughout the Madras Presidency is comparatively few; the difference between the cost of manufacture at one distillery and another is small, while the cost of transport may be large, so that practically each distillery has a monopoly of supply within a certain sphere of the surrounding country.

In Madras the few large capitalists have prevented all real competition. There is nevertheless competition among the few to improve their liquor, and to cheapen its cost so as to extend their supplies to debateable territory. On the other hand, in Bombay, the monopoly of supply is obtained by tender, and there is still genuine competition for this monopoly right. This monopolist manufacturer will for his own purposes make his spirit as cheap as possible, and Government can ensure that it is wholesome and sound. It is doubted whether any one in Bombay would now open a distillery on free trade principles, unless he could previously secure a demand for his liquor by having retail shops belonging to him. In *Madras the existence of large distilleries* and the subsequent introduction of "free-supply" prevent the latter from being a reality.

As to the right of sale, it is probable that a monopolist manufacturer can sell cheaper through his own shopkeeper (as in Bombay) than the retail vendor (in Madras) who has first to obtain his supplies from a distiller, as the distiller in the latter case must make his profit solely from the transaction of supply. Where the prime cost of liquor is cheaper, there is more margin for the levy of Government revenue.

As to the separation of the rights of supply and sale, it is evident that thereby the taxation and the revenue in Madras have been increased.

At the same time, though taxation has been increased, consumption has not been checked: in fact, in some of the more advanced districts sales have steadily increased, notwithstanding a very material enhancement of taxation. This indicates the great strength of the demand and of the purchasing power of consumers.

The reason of the increase of the revenue is apparently that the element of competition (in vend-rents) which was previously wanting in Madras has been introduced, as smaller capitalists can bid for the vend farms. In Bombay the element of competition has always existed, in the tenders made for the united rights of suppy *and* sale. In Madras the right of retail sale is sold by auction to talook vendors or shopkeepers unconnected with the manufacturer; in Bombay the retail sale is part of the manufacturer's monopoly. Should it be thought desirable to sell separately in Bombay the right of retail sale in towns, there would still remain the necessity of giving out some monopoly for the outlying tracts. It is doubtful whether either the revenue or the administration would be improved by such a measure. It is not considered desirable or necessary in Bombay to reduce the unit of the right of sale (at any rate below a talook) as it has been found necessary to do in Madras. The reduction of the unit of sale would tend to increased sales on the borders and to a multiplication of shops.

The main conclusion I draw is that hitherto in Bombay there has been no want of competition of large capitalists, whereas in Madras the few large capitalists have established an ascendancy which it is difficult, if not impossible, to break down, so that it has been necessary to take away from them the right of sale, and thereby to introduce the competition of small capitalists.

With respect to the minimum guarantee, it has already been explained why the system failed in Madras, and how it still flourishes in Bombay.

In Bombay the monopolist farmers are still expected to maintain preventive establishments, and do so: in Madras under the free-supply system there is no such obligation.

It has been objected to the Bombay system that the farmer is encouraged to push his sales, at any rate so far as to cover his guarantee. It has already been observed that every farmer will, on ordinary trade principles, sell as much as he can, so that this objection might as well be taken to the Madras system, in which there is no guarantee.

Besides the above main features of these two principal systems under consideration, there are some minor points in which they differ, viz:—

(1) In Madras the distillery buildings belong to the distillers: in Bombay, to Government.

(2) In Madras there may be any number of approved manufacturers and distilleries in each district: in Bombay there can be only one manufacturer, and he seldom has more than one distillery.

(3) In Madras the distiller sells wholesale within a maximum price: in Bombay he sells retail similarly.

(4) In Madras no retail prices are fixed: in Bombay maximum retail prices are fixed.

(5) In Madras the unit of a farm or right of sale is a shop in the towns, and a Revenue Inspector's division in rural tracts: in Bombay it is generally the whole district.

59. **In what respects is Improvement required in the Bengal Excise System?**—In considering whether any lessons are to be learnt from the Bombay and Madras systems for application to Bengal, a difficulty arises at the outset. Those systems, as has been fully explained, are dependent upon large distilleries and the levy of a still-head duty. In some minor points ideas can be borrowed perhaps for the improvement of the few sudder distilleries in Bengal, but I am not aware, and no one has been able to suggest to me, how an outstill system can be improved by the most careful study of a large distillery system. (I use the expression "large distillery" advisedly to include the central and public distilleries of Bombay and the private distilleries of Madras). Now, in respect of Bengal, it has been repeatedly laid down since 1875 that the sudder distillery system should be adopted in towns and the outstill system in the interior, and the Local Government has adhered to this view in their orders on the report of the Excise Commission of 1883-84. On the other hand, it may well be argued that there is no good reason on the ground of density or sparsity of population, why a large distillery system which has prospered in Madras and Bombay should not succeed similarly in Bengal. The figures quoted in Appendix XI show the density of population in the three Presidencies as follows:—

					Per square mile.
Bengal	...	...	...	...	459 persons.
Bombay	...	...	...	...	184 do.
Madras	...	...	...	...	221 do.

The figures for each district of course vary considerably. I have specially referred in paragraph 17 to Khandesh, one of the wildest districts in the Bombay Presidency, in which the central distillery, guaranteed minimum revenue, still-head duty system has quite lately been introduced. Its population is 124 to the square mile. If a system of concentrated manufacture and still-head duty payments is considered feasible in such a district, although the material for clandestine distillation is easily available, it is not clear why with similar or better administrative arrangements a similar system should not be possible even in the backward districts of Bengal. It is difficult to feel satisfied that in Bengal the sudder distillery system was allowed a fair chance before it was condemned, and the outstill system substituted in the mofussil. Establishments appear to have been sanctioned insufficiently and under-paid, and the excise administration was nobody's particular concern, as it has been in Bombay since 1878 and later in Madras. Establishments have now been increased in Bengal, and orders have been issued for the improvement of the outstill system. Before suggestions can be offered for the further improvement of the present excise system in Bengal, it must first be settled in what respects it is thought to be deficient and to require amelioration. The Bengal excise system includes of course both the sudder distilleries and the outstills. The former require no particular remark here, except that I would strongly advocate the fixing of strength of sudder distillery liquor for each district, and the selection, so far as possible, of the same strengths, say 25° or 30° U.P. for strong liquor and 60° or 70° or 80° U.P. for weak liquor, for large tracts of country. The

use of permits *i.e.*, passes should be made universal; they should be regularly filed and checked. From the insight gained into other systems, I cannot help observing that the Bengal Excise System appears to compare unfavourably with them in these respects: (1) the method of administration; (2) the weakness of the establishments; and with regard to the outstill system, (3) knowledge of the consumption; (4) the restriction of the outturn (5) the low price of liquor.

60. **The Method of Administration; Specialization considered.**—The financial success which has followed on the greater attention paid to Abkari matters in Bombay and Madras, especially on the taxation of country spirits and toddy, may be summed up in the statement that in Bombay between 1876-77 and 1887-88 the revenue from country liquor has risen from $31\frac{1}{2}$ lakhs to nearly 75 lakhs, and in Madras between 1883-84 and 1887-88 from under 59 lakhs to over 90 lakhs. In searching whether similar causes have been at work to produce similar effects in both Presidencies, it cannot escape observation that during the periods indicated the charge of the Abkari Department has been in the hands of a special Commissioner in each Presidency. In Madras it would perhaps not be fair to claim too much for the Abkari Commissioner's personal share of the improved results of the year 1884-85, as the first increase of the revenue has been attributed to the recommendations of the Excise Committee of 1884: still it must be borne in mind that the first Abkari Commissioner was a member of that Committee. I have now to consider the question of the specialization of the Abkari administration under a Local Government. Not only do the results above summarised appear to justify such a policy, but *à priori* reasons may be advanced to show how it can hardly fail to be advantageous. Among the merits of specialization are—the acquisition of greater knowledge, personal interest and responsibility, departmental zeal and energy, facility for changes and experiments, improved supervision, the instruction of executive officers. Some remarks may be offered on each of these points. It is imagined in some quarters that Abkari work presents no difficulties, that there is nothing in it to know, that it manages itself, that it may be made over to subordinates, &c., &c. These views are altogether erroneous, and officers with special Abkari experience will, I feel sure, support this statement. There is probably no department in which it is so difficult to arrive at the material facts, *e.g.*, the local demand, the habits of the drinking classes, their proportion to the whole population, the statistics of consumption (under certain circumstances), the course of the liquor trade, the cost of production, the profits of the wholesale and retail vendors, the effect of the land tenures of the country, the relations with other branches of the administration, the *bonâ fides* of complaints, the causes of fluctuations, the science of distillation, the management of distilleries. Knowledge on each and all of these points, and on any others bearing on the subject, is of the utmost importance to the Head of an Abkari Department. Knowledge is power in this as well as in every other field of action: a brief conversation with the past and present Heads of the Abkari Departments in Madras and Bombay will suffice to show anyone that they possess a grasp of the theories of Abkari administration and a knowledge of details to a very remarkable degree. It is no new remark that personal rule (subject of course to law) has been found to be the form of administration best suited to India. There can be no question that an officer who exerts himself will do better work when his personal reputation and success are entirely dependent on his management of a sole charge than when he is entrusted with a number of subjects and his responsibility is shared by others. Departmental zeal requires doubtless to be tempered by discretion. But every administrator knows that, to get good work out of subordinates, it is essential to foster an *esprit de corps* and an honourable pride in the success of the Department. The main principles of Abkari administration may be regarded as settled (such as for instance, the restriction of consumption by raising the price of liquor up to the point at which it tends to illicit distillation), but the application of them is always liable to variation. New facts come to light, the surrounding circumstances change, new methods are suggested, fresh difficulties occur, a variation of system in a district appears desirable, so that some action must be taken on the part of the Department. It cannot be hoped that the Department will

attain to such perfection of system and method that it can afford to remain a tranquil spectator of the spontaneous development of the revenue. Inaction must mean retrogression. When changes and experiments are required they can be introduced and their effects watched better by an individual than by any other means. The supervision of the administration of a Department is necessarily improved when the Head of it can move freely about the country and make himself personally acquainted with the circumstances of each district and his departmental subordinates, as well as with the District Collectors. Under the present system of excise administration in Bengal this is impossible. The Member of the Board of Revenue in charge of Excise has also to supervise a number of very important sources of Miscellaneous Revenue (Opium, Customs, Salt, Stamps, Income-Tax, &c.), besides hearing Revenue appeals, and has not, and cannot have, the time for moving about, working up details, and acquiring the special knowledge which is essential to any improvement. Nothing whatever would be gained by the Member paying a flying visit to a station merely to sanction the Collector's suggestions, and without the special knowledge required to correct them. This is not the practice in Madras or Bombay. Much good has been done in Bengal by the deputation of a Deputy Collector of special excise experience, but his want of status and inability to give orders are serious impediments to the usefulness of the appointment. It is impossible to expect 45 District Officers to be well versed in the subject of Abkari. Some of them are junior men, who have had little experience; it is not a favourite branch of a Collector's duty; he is generally overworked; so that, through one cause or another, excise in Bengal is generally left to the care of Deputy Collectors who have themselves had no special training. It is perhaps hardly too much to say that the Commissioners who have grown up under such a system are not in a position to give the higher authorities any help of much value. A Head of a Department possessing special knowledge and continually adding to it would soon be able to instruct the Collectors and their subordinates to a degree which has not hitherto been contemplated. If the metaphor is admissible, the desideratum is that the Collector as the general practitioner should carry out the orders of the specialist at the head of an Abkari Department.

It is of the greatest importance again to diminish the number of links in an administrative chain. This is not a special feature of Abkari matters, but it is common to all administrative departments. In Madras and Bombay there is no Abkari authority except the Commissioner between the Collectors on the one hand and the Government on the other. It is worthy of remark that, in constituting the Abkari Commissionership in Madras, it was originally contemplated by Government to place the appointment under the Board of Revenue, but it was finally decided that the Commissioner of Abkari should be a Member of the Board. Under the original plan the Commissioner's proposals and schemes would all have had to be submitted to two sets of authorities—the Board and Government. It is easy to see that they would have had much difficulty in passing such an ordeal: delays would have resulted; the mutilation of schemes would have discouraged the Commissioner; he would have had no real power or authority; his relations with the Collectors would soon have become embarrassing. The position of the Abkari Commissioner as finally settled in Madras, and as assigned in Bombay in 1878, is the best calculated to develope the usefulness of the appointment. It admits of liberty of action being granted to the Abkari Commissioner, with the necessary control of the supreme authority: it is the position accorded to the Heads of other Departments, such as Jails and Registration. In the case of the Police and Education Departments, the Divisional Commissioners have recognized powers in connection with the general administration; but there is no necessity, in the nature of things, for their interfering with the work of an Abkari Commissioner.

The evidence afforded by the systems of Abkari administration in Madras and Bombay further shows that a system which has succeeded well in one Presidency does not necessarily answer in another. The guaranteed minimum revenue, central distillery system, which was adopted in Bombay from Madras, still prevails in the former, whereas it has for sometime been abandoned in the latter Presidency. The reasons for its failure in Madras have already been given, viz., the contractors neglected their duties to Government, attending more to the supply of the country near head-quarters than to the outlying parts of the district, and not keeping up private detective establishments as they had agreed to do: there was also an absence of real competition in the tenders submitted for the contracts of manufacture and supply. In Madras the large firms engaged in distillation were able to shut out competition; in Bombay on the other hand there have been no complaints of want of supply throughout all parts of the district; the private detective establishments have been maintained by the contractors, and hitherto there has been sufficient competition, though it is right to add that there are indications that a few wealthy capitalists are getting the whole trade into their hands which may eventually necessitate a modification of the system. It is worthy of notice that when the system failed in Madras there was no Abkari Commissioner; in Bombay there was such an officer personally interested in its success and at hand to meet difficulties as they arose. Whether such an officer could have saved the system from breaking down in Madras is a problem which must remain unsolved. Whether the system just mentioned or any variation of it can succeed if adopted in Bengal can only be ascertained by experiment.

61. **Other respects in which apparently the Bengal Excise System admits of Improvement.**—(*a*) *The weakness of the establishments.*—In paragraph 31 and Appendix VIII the strength of the Bengal and Bombay establishments for certain purposes has been fully discussed, and it has been explained in paragraph 55 why a comparison between the Bengal and Madras establishments cannot be made. The comparative weakness of the Bengal establishments is the more remarkable and serious when it is remembered that in many districts both sudder distilleries and outstills are now established, and that the difference in the prices of liquor produced is an inducement to smuggling. A similar difficulty is experienced in Bombay and Madras from the propinquity of foreign and native territory; but it is met by strengthening the preventive and patrol establishments. It may be the case also that the *personnel* of the establishments in Bombay and Madras is superior to that of Bengal, for the same complaints of their inefficiency do not seem to be made. But this is a reason for improving the Bengal establishments, as they cannot be dispensed with altogether. I should personally deprecate any proposal to put the Abkari establishments under the control of the Police authorities; the co-operation of the Police is most desirable and should be encouraged in every way by rewards; but the Police have their own duties to perform, and Abkari matters are affected by considerations of revenue with which the Police have no concern. The improvement of the establishments will follow as a consequence of the creation of an Abkari Department which I am about to propose. There is at present, no doubt, a prejudice against the subordinates employed in excise matters, resulting in some degree from the popular estimation of the liquor trade itself, partly from the lesser attention paid to excise in times past than to other revenue matters, and partly also to the frequent changes and instability of the service. If a Department is established on a respectable basis under an officer of experience and position, the subordinates will soon find that good work is appreciated and rewarded, and appointments in the Department will attract better men. It is impossible to estimate the full strength that should be maintained without further consideration and actual trial.

(*b*) *Knowledge of the consumption.*—It is notorious that under the outstill system, as under a larger farming system, no accurate knowledge of the quantities of spirits consumed has been obtained, though estimates have constantly been made, and further attempts are now being made in Bengal to compel the outstill-holders to keep accounts with a view to gaining this knowledge. Some knowledge has doubtless been obtained in the parts of Bombay where the modified outstill system is in force, as the quantities issued are supposed to be registered. It is hardly necessary to prove the importance of knowing the consumption of a district or other area, and not only the quantities, but also the strength of liquor consumed; without such knowledge the excise authorities are acting in the dark and are liable to make serious mistakes, and it is impossible to say whether the consumption of the district is abnormally high or low, to the detriment in the one case of the people, in the other of the revenue.

(*c*) *The restriction of the outturn.*—As the Government are aware, orders have been issued for some time past having for their object the restriction of the outturn of liquor at the outstills with a view to adjust it to the *boná fide* local demand; whether these orders are being or can be carried out remains to be seen. It is no easy matter to ensure the limitation of the capacities of the vats and stills; the most recent enquiries point to the conclusion that the orders have not been effectively carried out. It is certain that in some cases the capacities originally fixed to meet the local demand have been afterwards increased "in proportion to the fees the abkars were willing to pay for their licenses, so that they have really been allowed to distil as much liquor as they liked, so long as they paid fees accordingly." The absence of complaints on the part of the abkars indicates that they have hitherto felt no pressure from the orders for the limitation of the capacities of vats and stills. The calculations upon which the sizes of vats and stills were to be limited were made upon information (of the local demand for liquor, &c.) supplied by inexperienced subordinates, and they were admittedly framed in the first instance on a liberal scale, so that the abkars might become habituated to the idea of limitation. It is perhaps premature to judge of the success that may be eventually obtained in this respect, but the operation is clearly one of greater difficulty than has been attempted elsewhere. Not only is the number of possible distillations in a day variable and dependent upon the season, the water used, the nature of the material and the description of still, but all these variations have to be watched and regulated by the district establishment, which is numerically weak, while means of evading the limitations and restrictions are easy. It is also a question whether the system of limitations is not tending to the production of unwholesome liquor.

(*d*) *The low price of liquor.*—In columns 3 and 5 of Appendix V and in column 9 of Appendix X will be found the retail prices of liquor in Bombay and Madras respectively at the strengths specified; in Bombay it is stated that the selling prices generally approximate the maximum prices. In Appendix XV will be found a statement of the retail prices now prevailing in each district and subdivision of Bengal for country spirits of the varying strengths therein mentioned. It can be seen at a glance that the price of liquor is lower in Bengal than in the other Presidencies. It may be said that the consumers of country liquor in Bengal are poor, and that their liquor should therefore not be highly taxed, or not even taxed at equal rates, strength for strength, with the stronger liquor consumed in other Presidencies. This argument might have some weight with regard to spirit of the strengths 25° or 30° U. P.; but the spirit of 60° U. P. strength used in other Presidencies is a weak liquor, and there is no reason why the weak spirit of the strength of 70° or 80° U. P. in Bengal should not be proportionately taxed at similar rates with it.

Unless the price of liquor is raised in Bengal, it is difficult to see how the consumption is to be restricted. Whether the price of outstill liquor has risen generally, there is no evidence to show. It may be safely said that, until the restrictions of the sizes of vats and stills have been increased and rigorously enforced so as to diminish the possible outturn of liquor, its price will not be raised throughout the country. The principle of restricting the capacities of vats and stills is excellent in theory, but it is most difficult to carry out in practice. It is very doubtful whether a "minimum price" can practically be enforced on a large scale. My enquiries at Patna lead me to doubt whether it is really in force in that district beyond the immediate neighbourhood of the sudder distillery, or even in that area. The experience of the other Presidencies is against it. In Bombay the Abkari Department have considered it useless to attempt its introduction; in Madras (though there is legal sanction for it) no value is attached to it. There is a vast difference between the issue and the enforcement of orders for the limitation of the capacity of vats and stills and the requirement of a minimum price for liquor. It seems doubtful whether the present system of Excise Administration can be relied upon to ensure attention to these details upon which the successful working of the whole so largely depends. Again, reliance has been placed upon the "upset prices" of the shops at auction to raise the price of liquor. Various methods of calculating the upset price have been laid down, and orders issued that the highest figure attained by any of the calculations is to be regarded as the upset price. In practice the tendency is to revert to the old method of fixing it, viz., at the average fee for which the shop was sold during the last three years. Moreover, the upset price comes to be regarded in many

cases as the value of the shop, and officers prefer to let the shops, even at the upset prices, to having them unlet by reason of their trying to obtain higher bids by competition. The remedy is to keep the shops unlet for a considerable period until a bid, sufficiently high to raise the price of liquor materially, is obtained; but meanwhile the revenue would suffer, illicit distillation and smuggling be encouraged, and the drinking population inconvenienced. At present the practical result is that this portion of the system cannot be depended upon to raise the price of liquor to the consumer.

62. **The number of shops.**—The number of shops for the sale of country spirits in each Presidency has been shown in Appendix XI. It will be seen that the shops in Madras are as many as ~~20,033~~, while those in Bengal and Bombay are 4,280 and 2,647 respectively. It is not for me to question the necessity of the number of shops established in Madras, but I think it is open to doubt whether the reduction of the number of shops in Bengal has not been carried out to an unreasonable extent. It is impossible to prescribe any rule which will be universally applicable for the number of shops required for each district. The general standard laid down by the Board is one shop for 20 square miles and 10,000 persons. The actual figures for Bengal show one shop for 34 square miles and 15,000 persons. There is therefore ample margin for increase in the number of shops before even the arbitrary standard is reached. The real point is whether, by reason of an altogether inadequate provision of means of obtaining licit liquor, the people have not been driven to illicit practices or to the use of the more baneful narcotics. It must not be overlooked that means of illicit distillation are equally available in Bengal as in the other Presidencies. The objections to increasing the number of shops would be weakened when the price of liquor is increased and the management of shops improved by better supervision. The question of the *boná fide* local demand for the opening of a shop may always be troublesome, but a reasonable enquiry in each case will conduce to better results than the somewhat arbitrary restrictions which have hitherto prevailed.

CONCLUSIONS.

63. **The Appointment of an Abkari Commissioner and Constitution of an Abkari Department desirable.**—This conclusion has been placed first, as it is my opinion that no change of system will have much beneficial effect until the method of administration of Abkari affairs is radically altered: the evidence afforded by the working of the Madras and Bombay Abkari systems, with the observations which I have ventured to offer, point only to one conclusion—the creation of an appointment of Abkari Commissioner as a Member of the Board of Revenue and Head of an Abkari Department on a salary of Rs. 3,000 rising to Rs. 3,500 a month, with a fixed travelling allowance. He should communicate direct with Government and with the District Officers. The existing excise establishments, with such additions as will be required from time to time, would form the Abkari Department. In Bombay and Madras the charge of the Salt, as well as the Abkari, Department is made over to one officer, but in those Presidencies there are only 19 and 22 districts respectively, so that the amalgamated charge is not more onerous (as there are Deputy Commissioners and Collectors to do the executive work in each Department) than the sole charge of 45 districts in Bengal would be. As legislation with regard to the Board of Revenue is about to be undertaken, there will be no difficulty in making the necessary provision for another Member, or it could be done by a temporary amendment of the Bengal Excise Act, which will sooner or later require consolidation, as soon as the policy to be followed in Bengal is determined. The connection of the Divisional Commissioners with Abkari matters will fall into abeyance. From some years' experience in the Board and from observations in other Presidencies, I consider that this change will be in no way detrimental, but advantageous to the Abkari administration. It may be estimated that the cost of an Abkari Commissioner would amount to about half a lakh of rupees a year: some additional expenditure on account of office establishment would be entailed. It is impossible to predict with any confidence what increase of revenue would be obtained thereby. Even if a very much lower rate

of increase were obtained than has resulted in Bombay and Madras, it would cover the cost of the new appointment many times over. The evidence appears so overwhelming that an enterprising mercantile firm could not hesitate to embrace such an opportunity of realizing splendid profits. The improvement of the Abkari administration is not less desirable than the development of the revenue. The tendency to a larger consumption of spirituous liquors is generally accounted for by the greater prosperity of the country and increasing civilization, which appears always to induce a propensity to stimulants: this requires careful watching. Much greater attention is paid now than formerly to complaints of the spread of drinking and the alleged increase of the vice of intemperance. It is most important, therefore, that there should be an officer of position, knowledge, and experience to do, under the orders of Government, all that can be done to check these evils. It is necessary that such an officer should be capable of moving about and of giving his whole time to the subject and of issuing orders and having them enforced. It will be his duty to take the initiative whenever he sees an opportunity of improving either the revenue or the administration of the department, and not merely to await and decide upon references from the executive officers. It will also devolve upon him to watch the action of the Magistracy and secure their co-operation, as inadequate sentences on offenders against the Abkari laws are very common and very detrimental to the public interests. It is essential that the salary of the appointment should be fixed on an adequate scale, not only to secure its *status*, but as a fitting remuneration for the arduous work and the responsibility involved, and with a view to retain the services of the officer for some years: the duties of such an apppointment, I have been assured, are anything but agreeable, and a lower rate of pay than that proposed would not prevent an officer from endeavouring to seek promotion elsewhere. The position and prospects of Revenue Commissioners would have superior attractions to those of an Abkari Commissioner, unless higher emoluments be granted to the latter. An Abkari Commissioner would be out of the stream of ordinary promotion, with little or nothing to look to in the future, and it is not fair to an officer to place him in such a position without adequate remuneration. If it should be objected to the proposed creation of an appointment of an Abkari Commissioner that it would involve a redistribution of official business, and perhaps raise larger questions, I would remark that my present duty is to consider what improvements can be effected in the Excise administration, and that I shall be happy to offer an opinion if required on any ulterior consequences connected with this proposal. In my opinion the work to be performed requires distinctly the services of a separate officer, and will prove very remunerative. On the creation of similar appointments in Madras and Bombay the other revenue authorities were not reduced, and there is ample revenue work to be done in Bengal. In a time of financial pressure it would be an erroneous policy in my opinion to reduce the strength or position of any institution, immediately concerned with, and responsible for, the maintenance and development of the revenue. The proper course is to enlarge its sphere of action and encourage its efforts in every manner possible. Excise work, like other revenue work, becomes more and more a matter of detail if this source of revenue is to be fully worked out, and the old method of general supervision becomes superannuated.

64. **The Changes of System, if any, advisable in Bengal, for the Taxation of Country Spirit.**—The questions to be practically decided appear to be these:—

(1) Whether the Government of Bengal will accept the evidence afforded by both the principal Madras and Bombay systems in favour of large distillery (still-head duty) systems as compared with outstills, as sufficient to warrant the introduction of some change on the lines of either the Madras or the Bombay system?

(2) Whether Government would prefer any of the other minor systems in force in Bombay or Madras?

(3) Whether Government would prefer merely to increase the number of sudder distilleries of the present description in Bengal, *pro tanto* reducing the outstills?

(4) Whether Government would prefer to await the further development of the improvements now being attempted in the outstill system?

It is impossible for me to anticipate what opinion will be formed by Government of the evidence of the Madras and Bombay systems, and of the possibility of adopting them in Bengal. But I may be expected, and am prepared, to offer some observations which may be of some assistance in arriving at a decision.

(1) As a matter of theory a still-head-duty system is acknowledged to be superior to outstills; there is no reason why, so far as the levy of still-head duty at large distilleries is concerned, a system that has worked in Madras and Bombay should not succeed in Bengal.

Two salient characteristics of the Madras system (*i.e.*, the free-supply system) are (*a*) the large European and native firms of distillers, (*b*) the number of shops. Throughout Bengal there are no such large firms in existence (and only Ahmuty's large rum distillery at Howrah), and it would be a very questionable policy to create such interests as might considerably hamper the action of Government hereafter. "Free-supply" is possible without large firms and distilleries. There are no vested interests in India in the liquor trade, as in England, and it is important to prevent the establishment of anything of the kind.

Again, though the number of shops at present in Bengal may admit of increase, the magnitude of the number in Madras (if an inseparable feature of a system) would never be permitted for a moment to obtain in this Province.

The separation in Madras of the incidence of taxation into (*a*) still-head duty, (*b*) vend-rents, is similar to the Bengal sudder distillery system by which liquor is taxed by (*a*) still-head duty, (*b*) auction fees of the shops.

In Bombay the monopolist farmer's payment of still-head duty covers everything.

As to the Bombay system, it is held to be some objection to it that it is *alleged* to stimulate consumption, at any rate to some little extent, and no theoretical answer can be given absolutely to this allegation. But practically the objection is of no real force.

In Bengal, through the absence of statistics of consumption for years past, no proof of either such objection or answer could be given. But a rise in the price of liquor would be satisfactory evidence of diminished consumption. Sufficient time has not elapsed to form any conclusive opinion of the extra-percentage system now under trial in certain districts of the Bombay Presidency.

(2) It is hardly likely that Government would care to try in Bengal any system which has been discarded in the other Presidencies, such as the unrestricted farming or the monopoly-supply systems. The modified outstill system is retained in parts of Bombay (as is also the primitive outstill system) only because under the circumstances no more scientific system is possible. It was used in Khandesh only as a transitional system to prepare the way for the central distillery, guaranteed minimum revenue, system.

(3) The adoption of such a course would be a retrograde step. It is open to question whether either the consumption of liquor (licit *plus* illicit) would be diminished or the revenue increased by such a change. By the Bengal sudder distillery system the interests of the Abkars are opposed to those of Government: by the Bombay system an attempt is made (and it is claimed to be successful) to enlist their sympathies on the side of Government.

(4) Enough observations affecting this question have perhaps been made in paragraph 61, in which the portions of the Bengal Excise system apparently admitting of improvement were considered. On the one hand, the enforcement of changes requires time: on the other hand, it may be questioned whether,

under existing arrangements, the improvements ordered are not too difficult to ensure the restriction of consumption and the raising of the price of liquor.

My own conclusion is that an advance should be made in Bengal in a new direction, and that it is not sufficient, because outstills are in some respects unsatisfactory, merely to revert to sudder distilleries. Whether systems which have been successful elsewhere will prosper in Bengal can only be ascertained by experiment. It is impossible to say whether native capitalists will come forward, until the opportunity has been offered to them. They may exhibit a spirit of enterprise in some parts of the Province, and hang back in others. Again, capitalists might be introduced from Bombay or elsewhere. If it is agreed that an advance should be made, there are several ways of making it. The Bombay (central distillery, guaranteed minimum revenue, still-head duty) system, and modified outstill system, an improved sudder distillery system (with stronger establishments, fixed strengths of liquor, &c.,) may each and all be tried in selected districts. The extra-percentage system might also be tried if the reports on its experimental working should prove favourable. Such experiments will require careful watching by an Abkari Commissioner interested in their success, who will see that every chance of development is given to them. If this is not done, and new schemes are left to the present method of administration, it may be prophesied with certainty that after two, or perhaps three, years the verdict will be solemnly recorded that on the whole the local and higher authorities are of opinion that the experiments have failed, and that the systems previously in force should be reintroduced. Simultaneously with the trial of new systems the improvement of the outstills on the lines of the development now being attempted may be allowed to continue in other districts. I am quite prepared to hear the objection made that the existing excise revenue will be endangered by the adoption of the measures above sketched. It is easy to make such a criticism on any proposed constructive change, while it is impossible to prove mathematically beforehand that any new system must be financially profitable. To attain important objects some risks must be incurred. Probably some of the experiments will answer better than was anticipated, and others fall short of expectations. Under skilled management the chances of success would exceed those of failure.

65. **Raising of the rate of Still-head Duty.**—Apart from the questions of improving the method of administration and the excise system for the taxation of country spirits (with special reference to outstills), there are other means of raising the excise revenue which may be adopted at any time. I will not enter into the subject of the taxation of Abkari opium and intoxicating drugs further than to say that the existence of this alternative form of intoxicant affords a ready means of raising the revenue without increasing consumption. Should it be supposed that anywhere the increased taxation of country liquor has driven people to the use of narcotics, the simple remedy is to enhance the duty on the latter. With a fraction of the additional revenue obtained stronger preventive establishments should be employed. It has elsewhere been shown how constantly in Bombay the rate of still-head duty has been raised in accordance with the orders issued by the Government of India, No. 3088, dated the 31st August 1875, after the passing of the Tariff Act of 1875, that the rate of Excise duty on country spirits should be increased to the level of that fixed for the Customs duty on imported spirit. This is set out in detail in Appendix II. In Madras also attention has been paid to the matter, and the results are given in Appendix IX, but the still-head duty is not of the same importance in the Madras system, as reliance is placed partly upon "vend-rents" to raise the incidence of taxation. It is probable that in the future a higher still-head duty will be levied, and less scope left to the differentiating influence of vend-rents. In Bengal nothing (so far as I can trace) was done in the direction of raising the still-head duty, after the 20th March 1877, until the Board's letter No. 170B, of the 24th February 1887, led to the issue of the Government Notification of the 21st March 1887, in which the rates of still-head duty were generally increased. It has been ordered by Government that this matter is to be borne in mind for the future. During the decade just mentioned the outstill system was generally in force throughout the Province, but at no time have sudder distilleries been completely abolished. The number of

sudder distillery shops open since 1874-75, and the number of gallons upon which still-head duty has been levied, are given in the following statement:—

Year.				No. of sudder distillery shops.	No. of gross gallons.
1874-75	...	...	...	4,454	2,439,690
1875-76	...	...	...	3,670	2,611,323
1876-77	...	...	...	3,502	2,397,597
1877-78	...	...	...	3,512	2,315,788
1878-79	...	...	...	1,938	977,398
1879-80	...	...	...	902	861,153
1880-81	...	...	...	627	363,343
1881-82	...	...	...	530	342,304
1882-83	...	...	...	466	355,651
1883-84	...	...	...	481	355,299
1884-85	...	...	...	479	332,730
1885-86	...	...	..	590	552,839
1886-87	...	...	...	672	1,178,852

It is impossible to say how much higher a still-head duty could have been imposed during the 10 years after 1876-77, but even if only 8 annas more per gallon had been levied, a considerable additional revenue would have been obtained. It will be said doubtless that the difference in price between sudder distillery and outstill liquor would have been accentuated by a higher rate of duty, so that more smuggling would have taken place. It may be rejoined, on the other hand, that either the consumption would have decreased, or there would have been an increase of revenue; the former would have been a desirable result, the latter would have provided for the cost of stronger preventive establishments, which again should have maintained the revenue. Decrease of consumption and increase of revenue might have occurred together, as has happened in Calcutta since the raising of still-head duty in March 1887. The following figures are to the point:—

Calcutta and Suburbs.

				Gallons.	Duty. Rs.
1886-87	...	...	...	202,034	6,69,190
1887-88	...	...	...	180,668	7,48,063
		Total	...	—21,366	+78,873

Howrah and Bally.

				Gallons.	Duty. Rs.
1886-87	...	...	...	24,565	77,537
1887-88	...	...	...	20,629	83,765
				—3,936	+6,228
		Total	...	—25,302	+85,101

The conclusion I draw is that, had there been an officer, as in Madras and Bombay, constantly on the look out to take the initiative, with time to make local enquiries and to propose an increase in the rate of still-head duty in one district or another as he saw an opportunity, the rate of duty and the price of liquor would have been higher throughout the Province than they now are. As still-head duty was increased, the license fees paid for the shops might have fallen to some extent, but on the whole the effect would have been in the direction of increasing the revenue and restricting consumption.

66. **The Revenue from Toddy.**—Another conclusion which must occur to any one studying the Bombay and Madras Abkari systems is, that much greater attention is paid in those Presidencies to the subject of Toddy than in Bengal. The revenue obtained and the methods by which it is realized in the former have been stated above. The manner in which this branch of the revenue is collected in Bengal is described in the few rules contained in Section XV of the Excise Manual. The general practice is that licenses for the retail sale of fermented toddy are granted under the auction system to the

person who offers the highest monthly tax for the license, the minimum rate being one rupee a month. Licenses may also be sometimes granted under the fixed license-fee system. The result is that for 19,555 licenses issued the sum of Rs. 6,89,312 was realized in 1886-87. I have perused the Board's Annual Excise Reports since 1874-75 to ascertain what attention has been paid to this subject. In that year the revenue was Rs. 6,02,724, so that in 12 years the revenue has risen by less than Rs. 87,000. In the Bengal Presidency, toddy, or *tári* as it is called, is extracted chiefly from the date-palm and the *tál*-palm trees. Cocoanut palms are seldom seen to be tapped; perhaps because they are scarce in those districts where *tári* is largely consumed, and they are valuable for their fruit. The age of a palm-tree and its productive power are much affected by frequent tapping, and therefore the less valuable palm trees, the date and the *tál*, are tapped. Again, in Behar, where *tári* is consumed in large quantities, the soil is said to be unfavourable to the growth of cocoanut trees. The annual reports show that various suggestions have been offered from time to time for the development of this item of the Excise revenue. The suggestions have all met with the same fate. A report is called for and submitted; the proposal is either declined, or an experiment ordered. The eventual result has been invariably *nil*. A remark by the Lieutenant-Governor in 1877-78 on the want of elasticity in the revenue from toddy as compared with country spirits, and His Honour's suggestion that a modified system of farming *tári* licenses might be introduced in the chief producing districts, led to no better result. Meanwhile the cheap toddy interferes with the revenue from country spirits, and the tree-owners, by constantly raising the rents, are allowed to intercept the greater part of the enhanced value of the trees (as producing an exciseable article) in which Government might fairly have a share. Similar difficulties to these have been met and overcome in Bombay and Madras. The rent of the tree is a matter to be settled between the owner and the person who wishes to lease it for tapping. When a tree-tax is imposed, the rents will probably fall, as it is not likely that consumers will consent to pay a greatly enhanced price for raw toddy. Some provisions and safeguards would be required in parts of the country where the toddy juice is found to be really used in the manufacture of molasses and sugar; but it is never put to this use in Behar, where molasses are made from sugarcane.

It is in these three provinces,—Madras, Bombay, and Bengal—that toddy is an important branch of the Excise revenue: in other provinces the toddy question has not the same prominence. The general idea is that toddy is a pleasant and innocuous beverage. But it is so only in its unfermented state. In a few hours it ferments, and when fermented may contain as much as 10° of proof spirit, *i.e.*, attain the alcoholic strength of moderately strong beer. In this state it is anything but a harmless drink. Much of the drunkenness ascribed to the outstill system and to country spirits is, in the opinion of some experienced officers, attributable to the use of toddy; and the records of the magisterial courts would, I believe, corroborate this view. In an important paper, with a copy of which I have been favoured, it is stated that a gallon of fully fermented toddy contains nearly or quite as much alcohol as a reputed quart bottle of gin or whiskey. The paper proceeds thus:—"Where palm trees are common, it is quite impossible to prevent the drawing of toddy; nor, if it were possible, would it be right to do so, for fresh toddy is of itself a nutritious article of food, and from fresh toddy are manufactured (by boiling) large quantities of a coarse kind of sugar, much of which finds its way to Europe under the name of jagri, and is there refined. If toddy is drawn—and this cannot be prevented—its fermentation and consequent conversion into an intoxicating drink is a matter of but a few hours, and takes place by a natural process, without manipulation or the need of special appliances. The problem, therefore, of so taxing toddy as to discourage its use as an intoxicant, without interfering with its legitimate use as food and for the manufacture of sugar, and without oppressing the people by the employment of an army of low-paid preventive officers, is a most difficult one. The only approach that has been made to solving it is in the town of Madras and in the Bombay Presidency, where it has been found possible to impose a tax on each tree tapped for the production of toddy, and thus at once to enhance the cost of the beverage and to raise a revenue bearing some, though a small, proportion to its alcoholic value."

The subject of toddy (*i.e., tári*) was noticed in paragraphs 88 and 89 of the report of the Excise Commission of 1883-84, but the problem of increasing the revenue from this source was left undetermined. If it is correct that the cheapening of outstill liquor has had the effect of checking the consumption of toddy, then the raising of the price of country spirits, which it is desired to accomplish, will stimulate the use of toddy, and taxation will be facilitated. If, on the other hand, it is considered undesirable to increase in any way the taxation on fermented toddy, serious difficulty will be met with in raising the taxation on country spirits in those localities where the use of toddy can be substituted for them. An entirely new departure appears to be required. It is altogether insufficient to desire the Commissioners and Collectors to pay further attention to this subject, for no improvement whatever will be attained on the lines hitherto followed. The first thing is to see whether the introduction of the system of a tree-tapping license tax or some adaptation of it is not possible. Nothing will be effected by calling for a report from the local officers on such a subject, for they cannot know what has been done in other Presidencies. It is the kind of subject that can only be taken up successfully by a single officer working it up and studying the provincial records and the practice of other Presidencies and then superintending it. An Abkari Commissioner would at once take such a matter in hand and give the undertaking every chance of success.

67. **Legislation.**—Until Government determine the line of action to be taken for the improvement of the Excise revenue in Bengal, it is impossible to specify exactly the legislation that will be required. It may indeed be considered that the experimental measures proposed are possible under sections 10 and 13 of the Bengal Excise Act, 1878, without any amendment of the law. But legislation is necessary to create the appointment of an Abkari Commissioner as a Member of the Board of Revenue. Section 33 of the present Act is insufficient. It is absolutely essential to successful administration that there should be no authority but Government above the Abkari Commissioner, and that he should communicate direct with District Officers. No other change that I have discussed is really so important as this proposal. The best course, in my opinion, would be to provide at once for the appointment of an Abkari Commissioner by a short amending Excise Act, and to set him to work to prepare a consolidating Excise Act for Bengal. The Bombay Abkari Act, No. V of 1878, and the Madras Abkari Act, No. I of 1886, are very similar in their general scope and form, the Bombay law having been adopted as the basis of the Madras Act, with modifications to suit the circumstances of the latter Presidency. A glance at them will show their superiority in arrangement and drafting, as well as in the substantive powers therein contained, to the Bengal Act. The latter appears by comparison to be clumsy and antiquated and full of repetitions. The Bombay Act was purposely made a strong Act; and, in the interests of both morality and the revenue, it is necessary that legislation in respect of intoxicants should be strong, *i.e.*, give adequate power to the Government to adopt any policy that may be decided upon, and to have it carried out. It has been said of the Madras Act, and the same remarks would necessarily apply to the Bombay Act, that "the most striking feature is the permissive character of the enactment: the Act requires that manufacture, possession and sale shall be covered by license granted by due authority, but, speaking generally, it may be said that in other respects it merely indicates the broad lines on which the Abkari administration is to be conducted, and the nature of the control which may be exercised, leaving points of detail to be determined by rules framed under the Act which have the force of law. This elasticity is of great value, as it enables the Government to deal with varying circumstances without necessitating frequent recourse to the legislature to amend the law, and leaves the Government free to make control more stringent or relax it by applying the provisions of the Act as may appear desirable with reference to the requirements of different localities, or the necessity for restricting the traffic in different descriptions of liquor. As exemplifying the convenience of this course, the case of regulation of transport of liquor may be instanced. Under the old law the transit, without permit, of any quantity of liquor exceeding one imperial quart was prohibited; this hard-and-fast rule was unduly restrictive in respect of foreign liquor and

toddy, whereas in respect of country spirits it was found that the power of control was deficient, and an organised system of smuggling in quart bottles from Foreign into British territory, or from tracts in which taxation was low into those in which it was higher, was carried on with impunity. Under the present law the requisite latitude is afforded, and permits may be dispensed with altogether, or transport, save under permit, may be absolutely prohibited." The word "enabling" would have been more appropriate than "permissive" in this quotation; the latter term has a special signification with reference to liquor legislation in connection with the "Permissive Prohibitory Liquor Bill" introduced into Parliament, which had for its object to allow a majority of the rate-payers in any district to prohibit altogether the sale of any intoxicating liquor in that district.

All the three Acts under consideration contain sections giving the Government or other authorities responsible for carrying out their provisions powers to make the subsidiary rules required for various purposes: in the Bengal Act they will be found scattered over sections 8, 10, 13, 15, 21, 28, 35, 76, 84; whereas in the Bombay Act such powers are grouped together under two sections, 30 and 35; and in the Madras Act under sections 5 and 29. In the Madras Act great power of delegation is given (sections 4 and 5) not only to Government, but also to other authorities to make over their powers to lower Abkari officers; and under sections 6 to 8 of the Bombay Act, the Commissioners, *i.e.*, practically the Abkari Commissioner, may delegate powers. In the Bengal Act the powers of Excise officers (a term not defined, though described in section 34) are stated, but there is no way of increasing them. The sections 19, 30, 43 of the Bombay Act and the corresponding sections 17, 24, 55 of the Madras Act are much clearer and better drawn than the sections of the Bengal Act containing similar provisions. The Bombay and Madras Acts, sections 53 and 64, respectively, contain presumptions against accused persons in certain prosecutions, which must be of great use in cases where direct proof is difficult. There is a similar presumption in section 10 of the Opium Act, 1878. The sections of the Madras Act, which give Abkari officers of a certain rank power to hold an enquiry (see section 40(3)), are worthy of consideration: so also the power to compound offences (section 67), and the sections in bar of actions, section 67, Bombay Act, and section 72, Madras Act. If the idea of levying revenue from toddy by the imposition of a tree-tapping tax is accepted, section 35 of the Bengal Act will not suffice: provisions similar to those of sections 18, 20—26, Bombay Act, and sections 12, 16—21, Madras Act, would be required. Again some of the definitions in the Bengal Excise Act might be improved with reference to the laws of the other Presidencies. It is worthy of remark that the word "outstills" only occurs once (section 13) in the Bengal Excise Act, 1878. It is nowhere defined, and it might be a question whether all the conditions of the License Form No. 25 could legally be enforced under the provisions of the substantive law, for section 13 only authorises the regulation of the fee or duty paid for outstill licenses, and not of the other matters dealt with in those conditions. Again, there is no definition of "manufacture" in the Bengal Act. Power is also required in the law to make the use of permits, *i.e.*, passes, compulsory to cover the transport of all liquor. I have only attempted in these remarks to notice a few points which occur to me: the whole of the Bengal Excise Act should be thoroughly examined and consolidated. It is within my recollection that there is in the Board of Revenue a collection of points reserved for consideration whenever legislation is again undertaken. I should not omit to add that it has been found necessary in Bombay to prepare a Bill to amend the existing law in some minor respects.

68. **How to Introduce certain new Systems experimentally into an Outstill District.**—It behoves me, in suggesting for consideration the advisability of trying (A) the principal Bombay system, and (B) the modified outstill system in selected districts, to go a little further and indicate generally the manner in which the suggestions could be carried out. At the same time I must give the warning that the absence of trustworthy statistics of consumption considerably enhances the difficulty of taking action. But no such statistics will ever be available until there is a change of system, so that the practical course is to make the best of such facts as are on record and

ascertainable. In adopting any system in which greater precision and accuracy are attempted, Government are likely to be defrauded at first through the want of knowledge of facts.

(A). There are at least three points to be determined—(1) the still-head duty to be fixed, (2) the maximum selling price, (3) to ascertain approximately what should be the minimum revenue required. The first two of these three should be considered together in determining the still-head duty. Some regard would be had to the incidence of taxation already in force: so also, in fixing the maximum price in framing the intended contract, the prevailing price of liquor and its strength must be considered. It would depend upon circumstances how far it would be safe at the beginning to raise the price of liquor to consumers. Again, it would be good policy to allow the farmers to commence with very liberal profits; otherwise they will not embark on new schemes. After ascertaining by all possible means the cost of manufacture, the strength of the spirit distilled, the working expenses, the cost of transport, the wages of servants, &c., &c., a margin of, say, Re. 1-8 to Rs. 2 per gallon of strength 25° U. P. should be left at first between the rate of still-head duty and the maximum retail selling price. (The value of an area or of a shop cannot be properly ascertained without knowing the consumption, the strength of liquor, and the cost of production). As to the minimum revenue to be guaranteed, it would be advisable not to insist on too high a minimum in the first instance. The most important thing is to get hold of a contractor upon whom reliance can be placed, and to induce him to work honestly on the understanding that his interests are bound up with those of Government. If the licensee can sell more liquor than the quantity covered by his guarantee, he will naturally try to sell it, and will have to pay Government still-head duty on every additional gallon sold. It would be necessary in calling for tenders to make available for inspection the fees paid for outstills and the strengths of liquor, and, so far as known, the quantity consumed in, say, three previous years. If there are trustworthy figures to show the outturn and consumption in gallons of the district or tract, so much the better; if not, a fair estimate might be made as follows:—First, the number of outstills working can be given, and the quantity of liquor (and strengths) which each still is capable of producing can be calculated; if the number of actual distillations in a day at each outstill cannot be ascertained accurately, it must be supposed that all stills are now worked fully under the outstill system; we can thus arrive at the total outturn, and it must be presumed to represent the normal consumption of the district. To see whether a fair estimate has thus been obtained, this result may be tested. Take the average Excise revenue from the outstills of the district for, say, the preceding three years, and from that work out the quantity of gallons at the proposed rate of still-head duty; if the two results approximate, then a fair estimate will be made.

In introducing the principal Bombay system into a sudder distillery district, there would be available of course figures to show the quantities of liquor issued from the distillery, and their strengths and the duty paid, as well as the fees paid for the shops supplied from it: so that the calculation of the minimum revenue to be guaranteed would be facilitated.

Large capitalists, and enough of them to secure a healthy competition, are necessary to work the above system. A want of competition of capitalists may be met by reducing the size of the farm. The arrangement should be completed two or three months before the commencement of the lease; the contract should be signed, and the new licensee put into possession of his distillery a month before his farm *i.e.* contract begins.

(B). If Government should prefer not to introduce the principal system above mentioned all at once, a beginning in the direction of exercising control may be made by reducing the number of stills, and regulating the strengths of liquor which may be manufactured. It is absolutely necessary to compel the outstill-holders to keep correct accounts of the quantities manufactured and sold, and they should be prosecuted if they possess liquor of strengths other than those prescribed. Under the modified outstill system in Khandesh there was only one still for each talooka, and it was in charge of a Karkoon on Rs. 20 to keep the register of spirits manufactured and sent out to the shops; the outstill and the shops dependent on it were sold by auction to one man. So in Bengal, if the idea is accepted, the plan would be to sell by auction the right of manufacture and sale throughout a specified area, say, a subdivision or thana, at a price not less than the aggregate of the fees of the shops in that area in the preceding year or years. The new licensee would be bound not to open more stills and shops than those specified in his license; the sites would have to be approved by responsible officers; the liquor should be issued only at fixed strengths from the still, and sold only at such fixed strengths from the shops dependent on each still. The shop-keepers (being employés of a monopolist) must be bound to sell only within maximum prices which could be fixed in the following manner. To take an illustration: supposing the existing prices of liquor and strength to be ascertained to be 12 annas per gallon of 25° U. P., the consumption of the tract to be 100,000 gallons, and the aggregate license fees to have been Rs. 50,000: supposing also the new licensee to bid Rs. 70,000, *i.e.*, an increase of Rs. 20,000 for his right of manufacture and sale in the tract; it may be safely said that the new licensee will recover this increase from the consumers; if the consumption remained at 100,000 gallons, the price per gallon would be increased by about 3 annas, so that the maximum price could be settled at, say, 15 annas a gallon, or a rupee to give a little margin; if the consumption diminished, the price per gallon would be further increased, and a higher maximum price would be necessary; if the consumption increased, the price per gallon would still increase to some extent, and in future arrangements a higher price for the monopoly right should be required and be obtainable. Such a licensee, working on a larger scale, would be able to reduce his working expenses as compared with those of the present outstill-holders. One concentrated still, serving several shops, might supply an area of 25 square miles. Should such a modified outstill system be established, difficulties would arise with neighbouring outstills of the present description; for instance, they might try to introduce their outstill liquor; but the new licensee might be trusted to keep it out on his own account; it would not be worth his while to bring in cheap outstill liquor and sell it at his higher price, as the prime cost of liquor will probably be cheaper to him, when it is manufactured on a large scale, than to the outstill vendor. If the inhabitants of the area under the modified system sketched above went over to the outstill area to get their liquor, the remedy would be to keep the outstill shops removed to some distance from the frontier line. By such a transitional system as this some advantages would be gained, some knowledge of the consumption would be obtained, as a subordinate Abkari officer would be posted at each still to register the outturn and the issue, and his proceedings would be constantly under inspection. There must be a system of permits to be filed at the shops; the shop-keepers must keep accounts of receipts and issues, and each shop must be supplied direct from the central still. By the rise in the price of liquor consumption should be restricted, and a step would be gained towards the levy of still-head duty. To introduce either change of system at the beginning of a financial year, statistics must be collected, and a notification issued about the 1st of November, inviting tenders by the 1st December, so that, if all the tenders should be rejected, there would be time to obtain fresh tenders by the 1st of January, and to complete arrangements by the 1st of February. The new licensee would then have two months to make his preparations.

69. **Summary of Conclusions.**—The conclusions contained in the preceding paragraphs may be summarised as follows:—

(1) That the appointment of an Abkari Commissioner as a Member of the Board of Revenue and head of an Abkari Department should be created at once;

(2) that the introduction of new systems in selected districts under an Abkari Commissioner should be tried experimentally;

(3) that the improvements in progress in the outstill system should be continued in other districts, and further developed by the light of the most recent information;

(4) that establishments should be strengthened;

(5) that improvements in the sudder distillery system (with stronger establishments, fixed strengths of liquor, &c.,) might be tried in some districts;

(6) that the rates of still-head duty should be constantly raised;

(7) that, with a view to restrict consumption, there should be no hesitation on sentimental grounds in taxing liquors of all kinds and descriptions to the highest rates that they will bear;

(8) that the system of raising revenue from *tári* should be examined from a new point of view;

(9) that the number of shops may be properly increased to some extent;

(10) that the strengths of liquor should be fixed, with as much uniformity as circumstances admit, over large tracts of country;

(11) that no liquor (saving very small quantities) should be moved except under cover of a transport permit;

(12) that maximum prices of liquor may be required, and can be effectively introduced, but that minimum prices, not dependent on the rates of still-head duty, are inoperative and therefore useless;

(13) that all license forms should be re-examined and improvements suggested by the conditions of the licenses in force in Bombay and Madras adopted;

(14) that legislation be undertaken to render possible the changes suggested and to improve the existing law;

(15) that under skilled administration, restriction of consumption and increase of revenue *should* progress together.

70. My special duty terminated and I rejoined the Senior Secretaryship of the Board of Revenue on the afternoon of the 16th July, before this report was quite ready for submission. No time has been lost in completing it and passing it through the Press, but the Survey Department were unable to furnish me with the maps as soon as was required. I have now the honour to lay this report before you for the orders of Government.

have the honour to be,

SIR,

Your most obedient servant,

C. E. BUCKLAND.

APPENDIX I.

(SEE PARAGRAPH 10).

Statement of the number of shops for the sale of Country Spirits and Toddy licensed throughout the Bombay Presidency.

	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
1. For sale of country spirit *and* toddy.	......	......	......	2,194	1,191	1,113	1,042	889 (963)	1,026 (1,033)	793	604	573 (579)	385
2. For sale of country spirit alone.	......	......	......	782	1,166	1,285	1,339	1,585 (1,511)	1,566 (1,525)	1,760	1,896	2,039 (2,029)	2,262
3. *Total for sale of country spirit.*	3,046	3,078	3,032	2,976	2,357	2,398	2,374 (2,351)	2,474 (2,452)	2,592 (2,558)	2,553	2,500	2,612 (2,608)	2,647
4. For sale of toddy spirit alone.	......	......	......	290	377	531	642	797	905	1,196	1,094	1,365 (1,317)	1,237
5. *Total for sale of toddy spirit.*	......	......	......	2,484	1,568	1,644	1,684	1,686 (1,760)	1,931 (1,938)	1,989	1,698	1,938 (1,944)	1,622
Total number of shops, *i.e.*, of (1), (2) and (4).	......	......	......	3,266	2,734	2,929	3,016	3,271	3,497	3,749	3,594	3,977	3,884

The figures in brackets are also found in the reports.

APPENDIX II.

(SEE PARAGRAPHS 10 AND 28).

Statement showing the increase in the rates of Still-head Duty on Mowra spirit of 25° U. P. in each districts of the Bombay Presidency.

DISTRICTS AND TRACTS.	1872-73.	1873-74.	1874-75.	1875-76.	1876-77.	1877-78.	1878-79.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	REMARKS.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	
1. Bombay	(a) 1 0	(b) 1 0	1 0	1 0	1 12	(c) 2 4	2 4	2 4	2 4	2 4	2 4	2 4	(d) 2 12	2 12	2 12	2 12	(a) For London-proof spirit. (b) From 1st October 1873 for spirit 25° U. P. (c) From 1st January 1878. (d) From 1st June 1884.
2. Ahmedabad—																	
(1) City and Cantonment ...	(e) 1 0	(e) 1 0	(e) 1 0	(e) 1 1	(e) 1 1	(e) 1 1	2 0	2 0	2 0								(e) Rate for London-proof spirit.
(2) Do. and 10 miles round ...	....	......	......	......	......	......	......	......	......				2 6	2 6	2 6	2 6	
(3) Rest of the district, except Prantej and Modasa.	......	......	......	......	......	......	......	......	......	2 0	2 0	2 0	2 4	2 4	2 4	2 4	
(4) Prantej and Modasa ...	......	......	......	......	......	......	......	......	......	2 0	1 0	1 0	......	......	......	0 12	
3. Kaira—																	
(1) Mehmedabad and Matar ...	......	......	......	......	......	......	......	......	......	2 0	......	......		2 4	2 4		
(2) Anand	......	......	......	......	......	......	......	......	......	......	......	......		(f) 1 0	1 0		
(3) Nariad	......	......	......	......	......	......	......	......	......	......	......	......	2 4	1 0	1 0	2 4	(f) From 1st June 1886.
(4) Barsad	......	......	......	......	......	......	......	......	......	......	......	......		1 0	1 0		
(5) Thasra and Kapadvanj ...	......	......	......	......	......	......	......	......	......	......	......	......	1 0	1 0	1 0	1 0	
4. Panch Mehals—																	
(1) Talookas of Godhra, Halol and Kolol.	......	......	......	......	......	......	......	......	......	......	......	......	......	......	0 12	0 12	
(2) Dohad and Jhalod	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	Outstill system.
5. Broach—																	
(1) Town of Broach and Ankleshwar.	(g) 1 4	(g) 1 4	(g) 1 4	(g) 1 4	(g) 1 4	(g) 1	2 0										(g) For London proof spirit.
(2) Town of Broach and Ankleshwar talooka.	......	......	......	......	......	......	......	2 0	2 0	2 0	2 0	2 0	2 4	2 4	2 4	2 4	Rest of the district.
(3) Rest of the district	......	......	......	......	......	......	......						2 6	2 6	2 6	2 6	City of Broach and ten miles round.
6. Surat—																	
(1) City of Surat and 6 miles round.	(h) 1 4	(h) 1 4	(h) 1 4	(h) 1 4	(h) 1 4	(h) 1 4	2 0	2 0									
(2) Talookas of Chorasi and Olpad	......	......	......	......	......	......	......	2 0	2 0	2 0	2 0	2 0	2 0	2 0	2 0	2 0	(h) For London-proof spirit.
(3) Town of Balsar and 6 miles round.	(h) 0 8	(h) 0 8	(h) 0 8	(h) 0 8	(h) 0 8	(h) 8	1 0	1 0	......	......	......	......	......	......	......	......	
(4) Balsar and Pardi talookas...	......	......	......	......	......	......	......	1 0	1 0	1 8	1 8	1 8	1 8	1 8	1 8	1 8	
(5) Rest of the district	......	......	......	......	......	......	......	......	......	1 8	1 8	1 8	1 8	1 8	1 8	1 8	
7. Thana—																	
(1) Ten talookas of Thana ...	......	......	......	......	......	......	1 12	1 12	1 12								
(2) Mahim...	......	......	......	......	......	......	1 8	1 8	1 8	1 12	1 12	1 12	2 0	2 0	2 0	2 0	
(3) Dahanu	......	......	......	......	......	......	1 4	1 4	1 4								
(4) Umbergaum	......	......	......	......	......	......	1 0	1 0	1 0	1 8	1 8	1 8	1 8	1 8	1 8	1 8	
8. Kolaba—																	
(1) Pen and Alibag Talookas ...	......	......	......	......	......	......	1 12	1 12	1 12								
(2) Roha, Mangon and Muhad	......	......	......	......	......	......	1 8	1 12	1 12	1 12	1 12	1 12	2 0	2 0	2 0	2 0	
(3) Rest of the district... ...	......	......	......	......	......	......	......	......	......								
9. Nasik—																	
Whole district	......	......	......	......	......	......	......	......	......	2 8	2 8	2 8	2 0	2 0	2 0	2 0	
Except Baglan, Kalvan and Peint	......	......	......	......	......	......	......	......	......	1 12	1 12	1 12	......	......	......	2 0	
10. Khandesh	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	Farming and outstill systems.
11. Ahmednagar	......	......	......	......	......	......	2 8	2 8	2 8	2 12 / 2 8	2 12 / 2 8	2 12 / 2 8	3 0	3 0	3 0	3 0	
12. Poona	......	......	......	......	......	2 8	2 10	2 10	2 10	2 12 / 2 8	2 12 / 2 8	2 12 / 2 8	3 0	3 0	3 0	3 2	
13. Sholapore	......	......	......	......	......	......	2 8	2 8	2 8	2 12 / 2 8	2 12 / 2 8	2 12 / 2 8	3 0	3 0	3 0	3 0	The increased rate of duty is for the city and 10 miles round. Lower rate of duty is for the rest of the district.
14. Satara	......	......	......	......	......	......	2 8	2 8	2 8	2 12 / 2 8	2 12 / 2 8	2 12 / 2 8	3 0	3 0	3 0	3 0	
15. Belgaum	......	......	......	......	......	......	......	......	......	2 12 / 2 8	2 12 / 2 8	2 12 / 2 8	3 0	3 0	3 0	3 2	
16. Dharwar	......	......	......	......	......	......	......	......	......	......	......	......	(i) 2 12 / 2 8	(i) 2 12 / 2 8	(i) 2 12 / 2 8	3 0	(i) The increased rate of duty is for the cities of Dharwar, Hubli, and 10 miles round. The lower rate of duty is for the rest of the district.
17. Bijapore...	......	......	......	......	......	......	......	......	......	......	......	......	2 8	2 8	2 8	3 0	
18. Kanara—																	
(1) Halyal talooka	......	......	......	......	......	......	......	......	......	......	......	2 8	3 0	3 0	3 0	3 0	
(2) Rest of the district... ...	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	Outstill system.
19. Ratnagiri—																	
(1) Vingorla talooka	......	......	......	......	......	......	......	(j) 1 12	1 12	1 12	1 12	1 12	1 12	1 12	......	......	(j) From 1st December 1880.
(2) Rest of the district... ...	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	......	

APPENDIX III.

(SEE PARAGRAPH 12.)

Note on the incidence of the Tree-Tax on trees tapped for the extraction of toddy as a still-head duty per gallon of spirit 25° U. P.

IT has been decided that, for ordinary purposes, the tree-tax rates to be levied on trees tapped for the extraction of toddy should be fixed at Rs. 10 per tree in the case of cocoanut and brab-trees, and Rs. 5 per tree in the case of date-trees. Also, when toddy is distilled into spirit, the tree-tax rates previously paid on the raw toddy are to be taken as equivalent to a duty of one rupee per gallon of spirit 25° U.P. in calculating the still-head duty leviable on the spirit manufactured therefrom. In other words, it is held that each cocoanut or brab-tree produces 10 gallons of spirit 25° U.P. a year. The accuracy of this view has been controverted. It was based on figures and statistics furnished in the Bombay Abkari Commission's report of 1885-86, which relate exclusively to the toddy and spirit yield of trees tapped in the island of Bombay, at a time when a percentage of exchanges of unproductive trees was allowed. The following figures from the Collector of Bombay's records show different results. They deal only with the produce of cocoanut and brab-trees, as date toddy has only been distilled in insignificant quantities in Bombay. Exchanges of cocoanut and brab-trees were allowed during the years in question up to a limit of 33 per cent. of the number of trees licensed to be tapped, but the privilege was never fully availed of. The exchanges actually allowed, the dates of the exchanges, the quantities of toddy brought to the distilleries and the spirit produced, were all duly recorded for the years 1882-83 and 1883-84, fair average years for toddy, the latest in which toddy distillation was carried on to any extent in Bombay. The statistics gave the following results:—

			Gallons. 1882-83.	Gallons. 1883-84.
The total quantity of toddy drawn from all the trees tapped during the year amounted to			1,817,200	2,095,616
The quantity of spirit manufactured from this toddy converted to strength 25° U.P. amounted to			264,608	281,365

The trees licensed to be tapped throughout the year were—

			Trees.	
(1) Cocoanut-trees	18,146	18,400		
(2) Brab-trees	304	357		
	18,450	18,757	18,450	18,757

Other trees exchanged for unproductive trees and tapped for broken periods :—

(1) Cocoanut-trees	5,036	5,202
Brab-trees	25	35
	5,061	5,237

These 5,061 and 5,237 trees tapped for broken periods were equivalent to trees tapped for the full years in the following numbers—	2,088	2,296

Thus the toddy yield was that of—

18,450	18,757				
2,088	2,296				
20,538	21,053	trees	......	20,538	21,053

and the average yield of toddy was—

				Gallons.	
Gallons ...	$\frac{1,817,200}{20,538}$	$\frac{20,95,616}{21,053}$	......	88·48	99·54

i. e., 94 gallons per tree;

and the average spirit outturn per tree was—

Gallons ...	$\frac{264,608}{20,538}$	$\frac{281,365}{21,053}$	......	12·88	13·36

The mean of the average yield of spirit per tree for these two years would thus be 13·12 gallons, say 13 gallons; and a tree tax of Rs. 10 per tree per annum would be equivalent to a still-head duty rate of 12 annas 4 pies per gallon; and each rupee of tree tax would be equal to a still-head duty of 1 anna 3 pies nearly per gallon.

The rate of duty on toddy spirit fixed by Government is Rs. 2-6 per gallon on 25° U. P. strength. Of this amount Re. 1 per gallon is computed as being taken in the tree-tax payment, so that Re. 1-6 per gallon is actually paid in cash on the issue of the spirit. The calculation above shows that in reality only Rs. 2-2-4 (*i. e.* Re. 1-6 plus As. 12-4) are charged altogether on a gallon of toddy spirit 25° U. P.

Trustworthy statistics of the toddy yield of date-trees are not available, but it is generally accepted that they yield half as much as cocoanut-trees. In the above calculation the average rates shown are understood to be certainly *below* the actual yield.

APPENDIX IV.

(SEE PARAGRAPH 20.)

Statement showing the rates of Tree-Tax prevalent in each district of the Bombay Presidency; also the rates of Still-head Duty and the maximum selling prices of Toddy Spirit wherever that kind of spirit is consumed.

		TREE-TAX RATES.		Still-head duty on toddy spirit recovered in cash per gallon of strength.		Maximum selling prices of toddy spirit per gallon of strength.		
		Cocoa and brab.	Date and wild palm.	25° U. P.	60° U. P.	25° U. P.	60° U. P.	
		Rs.	Rs.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	
Bombay	Town and island	10	5	1 6	0 12	Not fixed.		In the districts of Thana and Kolaba and in the island of Bombay, besides the mowra spirit imported from Uran, toddy spirit locally manufactured from toddy, the produce of cocoa, brab or date-palms, is consumed. This is also taxed by the imposition of a still-head duty rate on every gallon of spirit issued from the distillery. Toddy in its fermented or unfermented state is taxed by the imposition of tree-tax, which is supplemented by cash payments in the case of toddy spirit, and in adjusting the duty, a tree-tax rate of Rs. 10 is taken to *represent* Re. 1 of still-head duty.
Thana	Salsette and Bassein ...	10	5	1 0	0 8	3 14	1 15	
	Mahim	10	4					
	Dahanu	7½	3					
	Umbergaum...	5	2	0 8	0 5	3 10	1 13	
	Six inland talookas ...	9	3	......*	......	......	......	The selling price of toddy at the *tree foot booth* only has been fixed at 9 pies a bottle in the town and island of Bombay, but no such restriction has been placed on the sale of toddy anywhere in the Thana and Kolaba districts, or at shops in the town and island of Bombay. The tree-tax is regulated according to the yielding capacity of trees in different districts.
	Jowhar	7½	3	......*	......	......	......	
Kolaba	Panwell talooka	10	5	1 0	0 8	3 14	1 15	
	Bagayat portion of the Alibag talooka.	10	3	1 0	0 8	3 14	1 15	It is intended that the price of raw toddy should not exceed pies 6 a bottle.
	Rest of the district	9	3	......*	......	......	......	* No toddy spirit allowed to be sold or distilled.
Ratnagiri ...	Vingorla talooka	4	2	......	......	3 0	1 8	The tree-tax in the Vingorla talooka is kept low owing to the proximity of the Portuguese Settlement of Goa. No still-head duty is imposed on toddy spirit, but the maximum selling prices are fixed. The selling price of toddy is 9 pies a bottle
	Rest of the district ...	5	2½	......	......			
Kanara	Whole of the district ...	4	2	......	......	(below ghâts—Coast.) 3 0	1 8	Ditto. ditto.
Surat	Surat city, and talookas of Chowrasi, Olpad, Balsar, Pardi and Jalalpur.	5	2					The selling price of toddy is pies 8 per bottle in five talookas, 6 pies in others with lower rates of tree-tax. Very few coconut and brab trees are tapped. Most of the brab trees tapped are for the manufacture of vinegar, for which a special tree-tax of Re. 1½ is levied. The bulk of the supply is from *date* trees. Very little toddy is sold at the tree foot. The goodwill of the shops is first auctioned, and an additional license fee of Rs. 10 (in the Bardoli, Chikhli and Mandvi talookas), and of Rs. 20 elsewhere for every 25 trees tapped or fraction thereof is levied.
	Talooka of Chikhli... ...	3	1					Separate licenses are issued to the Kaliparaj (a very poor class of people) in the Pardi Balsar and Chikhli talookas for tapping trees, on payment of tree-tax at the rate of 2 annas per date-tree for domestic consumption.
	Bardoli and Mandvi ...	1½	½					
Broach	Whole	5	2					Tree-tax rates are the same as those in Surat. Licenses are issued on payment of tree-tax for the sale of toddy (1) at tree foot, and (2) at shops. Additional shop license fees of Rs. 20 for every 25 trees tapped are levied in the latter case.
Ahmedabad ...	Do.	3	1					Farm of talookas sold in lump, the farmer guaranteeing to pay tree-tax at the sanctioned rates on all trees tapped by him.
Poona	Do.	3	1					In both these districts licenses are granted to applicants on payment of tree-tax only for sale of toddy at the tree foot only, and on payment of an additional license fee of Rs. 20 (in the city and cantonment of Poona and in the Ahmednagar district), and of Rs. 10 (in the rest of the Poona district), for the sale of toddy at shops. The shops are auctioned. The usual prices are 1 anna at the shop and 6 pies at the tree foot.
Ahmednagar ...	Do.							
Sholapore... ...	Do.	3	1					In all these five districts the toddy revenue is farmed. A monopolist guarantees to pay a certain minimum amount of revenue, paying tree-tax at the sanctioned rates on the number of trees tapped by him. The greater proportion of trees are date. The selling price of toddy provided for in the license is 1½ anna per bottle, but it is generally sold at prices much below this.
Bijapore								
Dharwar								
Belgaum ...								
Nasik								
Khandesh ...	Do.	3	1					Licenses are issued for the sale of toddy at shops on payment of tree-tax, and an additional fee of Rs. 15 per shop.
Satara	Do.	3	1					There are very few trees in this district. The shop license fee is fixed according to the circumstances of the case.
Kaira	....	......	......					No trees are tapped for the extraction of toddy; in fact there are very few trees in the district itself. By a special Resolution, in the Thasra talookas certain trees on alienated lands are allowed to be tapped on payment of a fee of 8 annas per tree. The number of trees tapped is only 12.
Panch Mehals ...	....	......	......					The district seems to abound in trees, but the circumstances of the people do not admit of tree-tax being realised. They are now tapped freely without any payment of tree-tax.

APPENDIX V.

(SEE PARAGRAPH 26).

Statement showing the maximum prices of Country Spirit and the rates of Still-head Duty at present in force in each district of the Bombay Presidency.

		PER GALLON OF STRENGTH 25° U. P.		PER GALLON OF STRENGTH 60° U. P.		REMARKS.
		Still-head duty.	Maximum selling price.	Still-head duty.	Maximum selling price.	
1		2	3	4	5	6
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
Ahmedabad ...	Whole district except the Prantej (including the Modasa Mehal) talooka.	2 6 0* 2 4 0	3 12 0	1 5 0* 1 4 0	2 4 0	* Applicable only to the city, cantonment, and ten miles round. The distillery is situated at Ahmedabad, and supplies the whole of the district. The central distillery system, which was in force in the city of Ahmedabad only, was extended to the whole of the district from 1st August 1881.
	Prantej (including the Modasa Mehal) talooka.	0 12 0	2 4 0	0 6 0	1 4 0	The duty rates have been specially kept low owing to the situation of the talooka which is interlaced with Gaekwari villages, where the outstill system still prevails and opportunities for smuggling liquor exist. Mowra grows wild not only in adjacent foreign territories, but in the talooka itself, and a check on illicit distillation is practically impossible. The talooka was worked on the central distillery system for three years ending 31st July 1884, but was worked on the modified outstill system for 3½ years ending 31st December 1887, and was again incorporated in the district farm from 1st January 1888 owing to the arrangements made with the Idar Durbar, whose villages also are interspersed in the talooka.
Kaira	Isolated Modasa villages of Droli, Amodra, and Indran, and the talookas of Thasra and Kapadvanj.	1 0 0	2 4 0	0 8 0	1 8 0	The same reasons exist for keeping the duty rates lower. The central distillery system was extended to the whole of the Kaira district from 1st August 1884, prior to which date it was in force in the Matar and Mehmadabad talookas only, to which the spirit was supplied from the Ahmedabad distillery.
	Talookas of Matar, Mehmadabad, Anand, Nadiad, and Borsad, and the Native States of Cambay, Umeta, Bhadarwa, and Dodka Mewas.	2 4 0	3 12 0	1 4 0	2 4 0	Prior to 1st January 1888, the rates for the talookas of Anand, Nadiad, Borsad, were on a level with Thasra and Kapadvanj owing to the proximity of foreign shops; but since the recent arrangements with the Gaekwar and the leasing of the abkari of the Native States named, the duty rates have been raised. A new distillery has now been established which will supply the whole of the district. Prior to 1st January, spirit was supplied to the Kaira district from the Ahmedabad district.
	Pandu Mewas	0 12 0	2 4 0	0 6 0	1 4 0	Native State, taken over for abkari management from 1st January; very backward, and adjoining the talooka of Kalol, where the lower rates prevail; mowra in abundance.
Panch Mehals ...	Talookas of Halol, Kalol, and Godhra.	0 12 0	2 4 0	0 6 0	1 4 0	Central distillery introduced from 1st August 1886. Central distillery situated at Godhra; very backward; adjoining foreign territory in which the outstill system still prevails. Tracts inhabited by Bhils.
	Talookas of Dohad and Jhalod ...	Outstill system.				The talookas are separated from the rest of the district by foreign territory; surrounded by foreign territory in which the outstill system still prevails; very backward and jungly.
Broach	Whole district	2 6 0† 2 4 0	3 12 0	1 5 0† 1 4 0	2 4 0	† Applicable to the city of Broach and ten miles round. Distillery situated in the city of Broach. The central distillery system was introduced into the whole of the district from 1st August 1881.
Surat	Talookas of Chorasi, Olpad, and Surat City.	2 0 0	3 4 0	1 2 0	2 0 0	The central distillery is situated at Surat. Previous to the letting out of the entire district on the central distillery system on 1st August 1883, there were two sadar (public) distilleries—one at Surat and one at Balsar. The distillery at Surat now supplies the whole district.
	Talookas of Bardoli, Jalalpur, Chikhli, Balsar, Pardi, and Mandvi.	1 8 0	2 12 0	0 11 0	1 8 0	The rates are lower owing to the proximity of Native States—Gaekwar, Dhurampur, Bansda, Sachin, and Damun, in none of which higher rates prevail.
Thana	Whole district, excluding Umbergaum.	2 0 0	3 8 0	1 0 0	1 12 0	Supplied with spirit from the distilleries at Uran and Bhandup since 1879. The district cannot bear a higher rate of still-head duty owing to the competition of toddy spirit, and the facilities and opportunities afforded for illicit distillation, owing to the raw material (toddy as well as mowra) being ready at hand.
	Umbergaum Mehal	1 8 0	3 4 0	0 13 0	1 8 0	Comparatively poorer than the rest of the district, and marches with Damaun Settlement of the Portuguese. Hence the lower rates of duty.
Kolaba	Whole district	2 0 0	3 8 0	1 0 0	1 12 0	Same remarks as for Thana.
Ratnagiri ...	Ditto	......	3 0 0	......	1 8 0	Outstill system. The spirit consumed is toddy spirit only. For years past the people have been used to this kind of spirit, and would not use any other.
Kanara	Whole district, except Halyal talooka.	Outstill system.				In the coast talookas the outstill system still prevails: only toddy spirit is consumed. For years past the people have been used to this kind of spirit, and would not use any other. In the above ghât talookas, where the spirit consumed is mowra or jagri spirit, the outstill system prevails in all talookas except Halyal. The central distillery system has been extended to this talooka since 1882, and spirit was, previous to 1884, supplied from the Belgaum distillery.
	Halyal talooka	3 0 0	4 8 0	2 6 4	3 8 0	
Dharwar ...	Whole district	3 0 0	4 8 0	2 6 4	3 8 0	The central distillery system was introduced in this district from 1st August 1884. The distillery is situated at Mudihal near Dharwar. The farmer has been allowed to manufacture spirit of strength 40° U. P. instead of strength 60° U. P., as the latter kind of spirit was found too weak for the people.
Bijapore ...	Ditto	3 0 0	4 8 0	1 9 0	2 8 0	Central distillery at Bijapore. Central distillery system introduced from 1st August 1884.
Belgaum ...	Ditto	3 2 0‡	4 8 0	1 10 0	2 8 0	Distillery at Belgaum. The system was introduced from 1st August 1881.
Satara ...	Ditto	3 0 0	4 8 0	1 9 0	2 8 0	The central distillery system was first introduced into these three districts on 1st August 1878. Distillery at Satara.
Sholapore ...	Ditto					Distillery at Sholapore.
Ahmednagar ...	Ditto					From 1884 the distillery at Nagar was abolished, and the district has since then been supplied with liquor from the distillery at Mundhwa near Poona.
Poona ...	Ditto	3 2 0‡	4 8 0	1 10 0	2 8 0	One of the districts in which a distillery was established years ago, and the city and cantonment were being supplied with liquor manufactured thereat till 1877, in which year the system was extended to the whole district. Distillery at Mundhwa near Poona.
Nasik ...	Ditto	2 0 0	3 8 0	1 0 0	2 0 0	The central distillery system was introduced in 1881. Some of the talookas are very backward and jungly, in which the system could not be worked even with lower rates of duty. These talookas were allowed to be worked on the outstill system on the expiry of the farms in 1884, and on the central distillery system being introduced in the adjoining district of Khandesh, these talookas have now been incorporated in the general district farm.
Khandesh ...	Nawapur Petta, Akrani pargana, and the villages situated within Mehwas limits in Taloda talooka, the Dangs and Mehwas States.	0 12 0	2 4 0	0 6 0	1 6 0	Very poor and jungly tracts; chiefly inhabited by Bhils; want of roads; the hilly and jungly nature of the country has made it very difficult to introduce this system. Owing to the facilities for illicit manufacture (the raw material being abundant and ready at hand), the system is on its trial and must take some time even with lower rates to become thoroughly established. One or two separate distilleries are being put up for this tract alone.
	The rest of the district	2 0 0	3 8 0	1 0 0	2 0 0	Owing to the country being sparsely populated, the want of roads and the distances to be travelled, the country being often flooded in the monsoon, this district owing to its large extent is one of the last to which the central distillery system has been extended. The district is also surrounded by foreign territory which has made it difficult, and must continue to demand the best efforts on the part of Government, to check smuggling. Two distilleries are being built for the supply of the district.
Town and island of Bombay		2 12 0	......	1 4 4	......	Mowra spirit is imported from the public distilleries at Uran and Bhandup. Spirit of low strength is seldom, if ever, imported. The spirit on its importation pays, in addition to the still-head duty, the municipal town duty of four annas for every imperial gallon.

The margin allowed for cost of manufacture, distribution, and farmers' and retailers' profits has been reduced by raising the still-head duty without altering the maximum selling price. The Poona and Belgaum are well-established profitable farms having the supply of two large military stations.

APPENDIX VI.

(See paragraph 28.)

Statement showing the consumption of Mowra and Toddy Spirit, the rates of Still-head duty and Tree-tax, and the aggregate duty realized in the Town and Island of Bombay.

Year.	Mowra spirit. Rate of duty per gallon of 25° U.P.	Mowra spirit. Number of gallons of 25° U.P.	Mowra spirit. Amount of duty realized.	Toddy spirit. Rate of tree-tax per annum.	Toddy spirit. Number of gallons of 25° U.P.	Toddy spirit. Amount of tree-tax realizations.	Number of gallons of mowra *and* toddy spirit consumed.	Total duty realized.	Remarks.
1	2	3	4	5	6	7	8	9	10
	Rs. A. P.	Gallons.	Rs.	Rs.	Gallons.	Rs.	Gallons.	Rs.	
1872-73 ...	1 0 0	559,630	5,59,630	6	347,815	1,60,530	907,445	7,20,160	
1873-74 ...	1 0 0	553,025	5,56,912	6	331,071	1,52,802	884,096	7,09,714	
1874-75 ...	1 0 0	599,115	6,20,208	A6 & 7B.	293,072	1,56,453	892,187	7,76,661	A For the first five months of the year.
1875-76 ...	1 0 0	656,700	7,16,479	7	322,595	1,73,705	979,295	8,90,184	B For the last seven months of the year.
1876-77 ...	1 12 0	418,997	8,24,899	9	147,485	1,02,105	566,482	9,27,004	
1877-78 ...	{1 12 0A {2 4 0B	} 362,266	8,11,926	A9 & 12B.	291,291	2,39,300	653,557	10,51,226	
1878-79 ...	2 4 0	295,109	7,28,167	15	290,056	3,34,680	585,165 (527,328)	10,62,847	
1879-80 ...	2 4 0	320,415	7,99,108	A15 & 18B.	214,565	2,76,459	534,980 (541,786)	10,75,567	
1880-81 ...	2 4 0	380,759	9,48,837	18	202,267	2,80,062	583,026 (595,354)	12,28,899	
1881-82 ...	2 4 0	400,434 (397,093)	9,89,300	18	230,087 (262,882)	3,18,582	630,521 (664,810)	13,07,882 (13,44,357)	
1882-83 ...	2 4 0	398,724	......	18	264,608	......	664,948* (663,790)	13,38,430	* Some spirits of wine from Uran, and rum and spirits of wine from Shahjehanpore are included in these totals.
1883-84 ...	2 4 0	415,979	10,41,833	18 Still-head duty.	281,365	3,37,626 Still-head duty.	697,344 (698,971)	13,79,459	
1884-85 ...	2 12 0	531,425 (531,588)	15,58,226	2-6 per gallon.	16,857	40,810	548,281 (548,444)	15,99,036	
1885-86 ...	2 12 0	565,453	16,56,678	2-6	28,612	80,841	594,065	17,37,519	
1886-87 ...	2 12 0	515,936	15,01,135	2-6	105,730	1,46,735	621,666	16,47,870	

N. B.—The figures in brackets are those given in reports of later years.

APPENDIX VII.

(See paragraph 28.)

Statement of the Consumption of spirit in gallons at 25° U. P. in each district of the Bombay Presidency from 1879-80 *to* 1886-87.

	Names of District.	Area in square miles.	Population.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.
	Bombay	22	773,196	534,980	583,026	630,521	664,948	698,971	548,444	594,065	621,666
Northern Division.	Ahmedabad	3,821	856,324	23,286	27,247	45,036	42,201	47,589	57,676	62,647	67,688
	Kaira	1,609	804,800	......	......	......	......	......	10,389	13,082	15,910
	Panch Mehals ...	1,613	255,470	......	......	......	......	......	......	......	16,839
	Broach	1,453	326,930	31,565	41,610	47,037	58,304	67,862	50,777	60,786	58,946
	Surat	1,662	614,198	......	......	......	......	248,929	305,024	326,203	291,002
	Thana	3,936	807,367	......	......	352,142	434,726	478,860	304,633	323,952	327,708
	Kolaba	1,803	482,830	......	......	59,349	148,230	134,841	118,644	142,113	128,802
Central Division.	Nasik	5,940	781,206	......	......	36,154	44,942	49,236	75,676	81,870	83,712
	Khandesh	9,944	1,237,231	......	......	......	......	......	460,307	604,567	672,927
	Ahmednagar	6,666	751,228	10,501	9,842	14,025	15,417	14,608	19,211	24,805	24,514
	Poona	5,348	900,621	71,962	79,498	95,849	104,113	113,719	119,853	131,301	136,227
	Sholapore	4,521	582,487	20,317	23,405	30,036	33,042	32,438	29,211	32,190	30,953
	Satara	4,988	1,062,350	12,764	14,829	16,452	16,277	16,576	20,235	22,921	23,290
Southern Division.	Belgaum	4,657	884,014	......	......	40,814	56,958	55,218	52,713	69,031	70,266
	Dharwar	4,535	882,907	......	......	......	......	......	51,811	79,752	82,262
	Bijapore	5,757	638,493	......	......	......	......	......	21,453	23,182	38,385
	Kanara	3,911	421,840	......	......	......	......	......	......	......	......
	Ratnagiri	3,922	997,090	......	......	......	......	......	......	......	......
	Total ...	76,108	14,040,591	......	......	......	......	......	......	......	......

APPENDIX VIII.

(See paragraph 31).

Note on the Bengal Excise Establishments.—The grant sanctioned by Government to meet the expenditure of the Excise administration in 1888-89, and the amount subsequently proposed in the Board of Revenue's letter No. 356B, dated the 28th April 1888, are shown in the following statement :—

	Sanctioned grant.	Amount proposed.
	Rs.	Rs.
Presidency administrative establishment ...	8,700	4,675
Presidency executive establishment ...	74,500	74,500
Deputy Collectors	28,800	34,600
Sub-Deputy Collectors	14,400	12,600
District establishments	2,40,773	2,44,131
Travelling allowance	52,480	52,480
Supplies, &c.	25,947	25,947
Add for rounding	400	......
Total ...	4,46,000	4,48,933

At first sight this appears to be a much larger expenditure on Excise establishments than that sanctioned for the Bombay Presidency, which has been shown in paragraph 30 to amount to Rs. 2,41,212 for the year 1886-87. To make a fair comparison between the strength of the Bombay and Bengal Excise establishments it is necessary to see how much of the expenditure in Bengal is incurred on supervision, inspection, distilleries, prevention and detection, these being the purposes for which the Bombay establishment, costing Rs. 2,41,212, was entertained in 1886-87. The item "Presidency administrative establishment," Rs. 4,675, represents the pay of the Special Deputy Collector attached to the Board of Revenue, and his peons, &c. This item must be excluded. The next heading "Presidency executive establishment," Rs. 74,500, represents the salary of the Abkari Superintendent of Calcutta, the *whole* of his establishment, besides travelling allowances, supplies and services, and contingencies. Of this amount I have ascertained that only Rs. 19,680 are chargeable for the pay of the supervising, distilleries, detective, preventive and clerical establishments, viz., 68 persons in Calcutta and the Suburbs. The next heading, "Deputy Collectors," represents a charge for which there is no parallel in the Bombay establishments. The "Sub-Deputy Collectors," Rs. 12,600, are in charge of distilleries, and their cost is similar to that incurred on Inspectors in charge of distilleries in Bombay, but they have been included in the cost of District establishments, costing Rs. 2,37,690, to which I am now coming. The next heading, "District establishments," Rs. 2,44,131, requires considerable reduction before it can be compared with the Bombay establishments already referred to. I have taken the tabular statement of Excise establishments for 1888-89 which accompanied the Board's letter No. 356B, dated the 28th April 1888, and (taking the maximum pay in each case) have shown as follows the monthly pay of the establishment for each district under the different headings of sudder office, distillery executive, inspecting and detective, omitting the charges for travelling allowance.

District.		Sudder office establishment.	Distillery establishment.	Executive establishment.	Inspecting and detective establishment.	Total strength	Total cost.	Total of column 7 *minus* column 2.	Total strength exclusive of Sudder office establishment.
1		2	3	4	5	6	7	8	9
		Rs.	Rs.	Rs. A.	Rs.		Rs. A.	Rs. A.	
Burdwan Division	Burdwan ...	127	137	306 0	120	39	690 0	563 0	36
	Bancoora ...	87	......	114 0	132	13	333 0	246 0	10
	Beerbhoom ...	97	......	102 0	140	17	339 0	242 0	14
	Midnapore ...	118	......	236 0	120	17	474 0	356 0	14
	Hooghly ...	157	208	290 0	231	41	886 0	729 0	37
Presidency Division.	24-Pergunnahs	157	......	494 0	120	32	771 0	614 0	28
	Nuddea ...	97	......	144 0	190	16	431 0	334 0	13
	Jessore ...	97	......	150 0	182	16	429 0	332 0	13
	Khoolna ...	86	......	72 0	132	11	290 0	204 0	8
	Moorshedabad	127	162	170 0	90	24	549 0	422 0	20
Rajshahye Division.	Dinagepore ...	96	......	206 0	130	34	432 0	336 0	31
	Rajshahye ...	165	......	144 0	140	17	449 0	284 0	12
	Rungpore ...	130	......	274 0	182	22	586 0	456 0	17
	Bogra ...	67	......	128 0	142	16	337 0	270 0	13
	Pubna ...	87	......	120 0	132	14	339 0	252 0	11
	Darjeeling ...	120	......	98 8	190	11	408 8	288 8	8
	Julpigori ...	96	......	42 0	62	9	200 0	104 0	6
Dacca Division ...	Dacca ...	163	162	438 0	120	42	883 0	720 0	37
	Furreedpore ...	87	......	172 0	182	17	441 0	354 0	14
	Backergunge ...	87	......	218 0	182	19	487 0	400 0	16
	Mymensing ...	157	......	392 0	70	35	619 0	462 0	31
Chittagong Division.	Chittagong ...	97	......	74 0	250	14	421 0	324 0	11
	Noakhally ...	46	......	......	134	6	180 0	134 0	4
	Tipperah ...	87	......	139 0	140	17	366 0	279 0	14
Patna Division ...	Patna ...	187	357	915 0	180	115	1,639 0	1,452 0	109
	Gya ...	187	244	670 0	172	77	1,273 0	1,086 0	71
	Shahabad ...	157	212	330 0	120	41	819 0	662 0	37
	Mozufferpore ...	146	162	240 0	305	56	853 0	707 0	52
	Durbhunga ...	110	137	240 0	90	44	577 0	467 0	40
	Sarun ...	142	244	370 0	120	44	876 0	734 0	39
	Chumparun ...	96	162	202 0	90	25	550 0	454 0	22
Bhagulpore Division.	Monghyr ...	165	194	358 0	120	42	837 0	672 0	37
	Bhagulpore ...	147	236	426 0	120	44	929 0	782 0	40
	Purneah ...	157	......	334 0	120	28	611 0	454 0	24
	Maldah ...	127	......	104 0	180	18	411 0	284 0	14
	Sonthal Pergunnahs.	110	330	230 0	120	54	790 0	680 0	50
Orissa Division ...	Cuttack ...	177	104	186 0	165	27	632 0	455 0	20
	Pooree ...	87	112	140 0	132	23	471 0	384 0	20
	Balasore ...	97	112	202 0	140	26	551 0	454 0	23
Chota Nagpore Division.	Hazaribagh ...	97	112	239 0	90	28	538 0	441 0	25
	Lohardugga ...	96	......	258 0	182	23	536 0	440 0	20
	Singhboom ...	46	......	42 0	132	9	220 0	174 0	7
	Manbhoom ...	87	......	188 0	132	19	407 0	320 0	16
	Total ...	5,053	3,387	10,197 8	6,223	1,242	24,860 8	19,807 8	1,084

Rs. A.				Rs.
24,860 8	×	12	=	2,98,326
5,053 0	×	12	=	60,636
				2,37,690

The total cost is Rs. 24,860-8 a month, *i. e.*, Rs. 2,98,326 a year. But the sudder office establishments cost Rs, 5,053 a month, *i.e* , Rs. 60,636 a year, and must be deducted, as they are not entertained for the purposes for which the Bombay establishments under comparison are required. A number of clerks are employed in Bengal under the head " Executive establishment," who more than counterbalance the few clerks included in the Bombay establishments. The total maximum charge therefore under the heading of District establishments in Bengal should be, I think, taken at Rs 2,37,690. The next headings, " Travelling allowances," " Supplies and service," must also be excluded as, though similar charges occur in Bombay under the head " Abkari expenditure," they do not occur under the head of Establishments, which I am considering. On the other hand, in 20 districts, the Abkari Inspectors are also Assessors of Income-tax, but no reduction of the charge on the Abkari

Department is made on that account. The total charge therefore for the establishments in Bengal, which correspond to the establishments in Bombay, costing Rs. 2,41,212 in 1886-87, is as follows :—

				Rs.
Calcutta and Suburbs ...	...	...	...	19,680
District establishments ...	...	...	...	2,37,690
				2,57,370

The cost of these establishments for each district is shown in various aspects in the following table :—

1888-89.

District.	Population.	Area in square miles.	Total numerical strength of establishment.	Cost of Establishment. Monthly.	Cost of Establishment. Annual.	Number of population to each officer on the establishment.	Number of square miles to each officer on the establishment.	Number of population to each rupee of cost of establishment.	Cost of establishment to each square mile.
1	2	3	4	5	6	7	8	9	10
				Rs. A.	Rs.				Rs. A.
Burdwan	1,391,823	2,697	36	563 0	6,756	38,662	75	206	2 8
Bankoorah	1,041,752	2,621	10	246 0	2,952	1,04,175	262	353	1 2
Beerbhoom	794,428	1,756	14	242 0	2,904	56,745	125	274	1 10
Midnapore	2,515,565	5,082	14	356 0	4,272	1,79,683	363	589	0 13
Hooghly and Howrah (exclusive of town) ...	1,545,111	1,680	37	729 0	8,748	41,760	45	177	5 3
24-Pergunnahs	1,618,420	2,097	28	614 0	7,368	57,801	75	220	3 8
Calcutta (inclusive of Suburbs and Howrah Town)	790,233	50	68	1,640 0	19,680	11,621	·74	40	393 9
Nuddea	1,655,721	2,755	13	334 0	4,008	1,27,363	212	413	1 7
Jessore	1,939,375	2,925	13	332 0	3,984	1,49,183	225	487	1 5
Khulna	1,079,948	2,077	8	204 0	2,448	1,34,993	260	441	1 3
Moorshedabad	1,226,790	2,144	20	422 0	5,064	61,339	107	242	2 6
Dinajepore	1,514,346	4,118	31	336 0	4,032	48,850	133	376	1 0
Rajshahye	1,338,638	2,361	12	284 0	3,408	1,11,553	197	393	1 7
Rungpore	2,097,964	3,486	17	456 0	5,472	1,23,410	205	383	1 9
Bogra	734,358	1,498	13	270 0	3,240	56,489	115	227	2 3
Pubna	1,311,728	1,847	11	252 0	3,024	1,19,248	168	434	1 10
Darjeeling	155,645	1,234	8	288 8	3,462	19,456	154	45	2 13
Julpigoree	582,390	2,884	6	104 0	1,248	97,065	481	466	0 7
Dacca	2,116,350	2,797	37	720 0	8,640	57,199	76	245	3 1
Furreedpore...	1,631,734	2,267	14	354 0	4,248	1,16,552	162	384	1 14
Backergunge	1,900,889	3,649	16	400 0	4,800	1,18,906	228	396	1 5
Mymensingh	3,051,966	6,287	31	462 0	5,544	98,451	203	550	0 14
Chittagong	1,132,341	2,567	11	324 0	3,888	1,02,940	233	291	1 8
Noakhally	820,772	1,641	4	134 0	1,608	2,05,193	410	510	1 0
Tipperah	1,519,338	2,401	14	279 0	3,348	1,08,524	178	454	1 5
Patna	1,756,856	2,079	109	1,452 0	17,424	16,118	19	101	8 6
Gya	2,124,682	4,712	71	1,086 0	13,032	29,925	66	163	2 12
Shahabad	1,964,909	4,365	37	662 0	7,944	53,106	118	247	1 13
Mozufferpore	2,582,060	3,003	52	707 0	8,484	49,655	58	304	2 13
Durbhunga	2,633,447	3,335	40	467 0	5,604	65,836	83	470	1 11
Sarun	2,280,382	2,622	39	734 0	8,808	58,471	67	259	3 6
Chumparun	1,721,608	3,531	22	454 0	5,448	78,255	160	316	1 9
Monghyr	1,969,774	3,921	37	672 0	8,064	53,237	106	244	2 1
Bhagulpore	1,966,158	4,268	40	782 0	9,384	49,154	107	210	2 3
Purneah	1,848,687	4,956	24	454 0	5,448	77,029	206	339	1 2
Maldah	710,448	1,891	14	284 0	3,408	50,746	135	208	1 13
Sonthal Pergunnahs ...	1,568,093	5,456	50	680 0	8,160	31,362	109	192	1 8
Cuttack	1,896,968	4,514	20	455 0	5,460	94,848	226	347	1 3
Pooree	888,487	2,473	20	384 0	4,608	44,424	124	193	1 14
Balasore	945,280	2,066	23	454 0	5,448	41,099	90	174	2 10
Hazaribagh	1,104,749	7,021	25	441 0	5,292	44,190	281	209	0 12
Lohardugga	1,609,244	12,045	20	440 0	5,280	80,462	602	304	0 7
Singhbhoom	453,775	3,753	7	174 0	2,088	64,825	536	217	0 9
Manbhoom	1,058,228	4,147	16	320 0	3,840	66,139	259	276	0 15
Total ...	66,591,453*	145,169	1,152	21,447 8	2,57,370	57,805	126	259	1 12

* The Chittagong Hill Tracts are not included in this statement.

APPENDIX IX.

(SEE PARAGRAPHS 40 AND 51.)

Statement showing the increase in the rates of Still-head Duty on Country Spirit of 30° U.P. in the districts of the Madras Presidency.

DISTRICTS.	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.	1888-89.	REMARKS.
1	2		4	5	6	7	8
	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.	
Ganjam	1 9 6	1 4 0	1 4 0	1 6 0	1 6 0	1 5 0	In the year 1884-85 the revenue was for the first time realised partly from still-head duty and partly from vend-rents. The figures in column 2 represent the whole taxation which in 1883-84 was levied entirely in the shape of duty. The figures in the columns 3 to 7 represent only the part of the taxation levied as still-head duty: the taxation levied by vend-rents is not shown here.
Vizagapatam	2 3 11	1 2 0	1 2 0	1 4 0	1 4 0	1 5 0	
Kistna	......	......	......	0 12 0	0 12 0	0 12 0	
Nellore	1 15 3	1 4 0	1 4 0	1 5 4	1 13 6	1 12 0	
Cuddapah	2 4 7	1 6 3	1 6 3	1 12 0	1 12 0	1 12 0	
Town	......	......	......	2 3 0	1 12 0	1 12 0	
Anantapur	2 0 3	1 6 3	1 6 3	1 12 0	1 12 0	1 12 0	
Bellary { Cantonment ...	2 13 9	2 0 0	2 0 0	2 3 0	2 12 10	2 10 0	
Bellary { District ...	2 1 0	1 8 3	1 8 3	1 12 0	1 12 0	1 12 0	
Kurnool	Renting System		1 6 0	1 5 0	1 5 0	1 12 0	
Madras	Amani		2 12 10	2 12 10	2 12 10	2 10 0	
Chingleput	2 10 0	1 6 0	1 6 0	2 3 0	2 3 0	2 3 0	
North Arcot	2 4 10	1 6 0	1 6 0	2 3 0	2 3 0	2 3 0	
South "	2 0 2	......	......	2 0 0	2 0 0	{ 2 0 0 { 1 5 0	 Tindivanan, Vellupûram, Cuddalore talooks.
Tanjore	2 4 6	1 7 5	1 7 5	1 12 0	1 12 0	1 12 0	
Town	......	......	......	2 3 0	1 12 0	1 12 0	
Trichinopoly	2 3 5	1 6 0	1 6 0	1 12 0	1 12 0	1 12 0	
Do. Cantonment ...	......	2 0 0	2 0 0	2 3 0	2 3 0	2 3 0	
Madura	1 9 10	1 7 0	1 7 0	1 12 0	1 5 0	1 12 0	
Town	......	......	......	2 3 0	1 5 0	1 12 0	
Tinnivelly	1 7 11	1 8 1	1 8 6	1 12 0	1 12 0	1 12 0	
Coimbatore	2 1 7	1 8 3	1 8 3	1 12 0	1 12 0	1 12 0	
Town	......	......	......	2 3 0	1 12 0	1 12 0	
Nilgiris	2 13 2	2 6 6	2 6 6	2 3 0	2 12 10	2 10 0	
Salem	2 4 11	1 4 6	1 4 6	1 12 0	1 12 0	1 12 0	
Town	......	......	......	2 3 0	1 12 0	1 12 0	
South Kanara	......	......	......	......	......	1 0 0	Mangalore town.
Malabar (Wynaad talook) ...	2 13 2	1 15 0	1 15 0	2 3 0	2 12 10	2 10 0	
Do. Five towns ...	......	......	1 4 0	1 0 0	1 2 0	0 8 0	

APPENDIX X.

(SEE PARAGRAPHS 40 AND 50.)

Statement showing the Issues of country-spirit of 30° U.P. together with the Revenue derived therefrom, the Still-head Duty and Vend-rent realized per gallon and the average Selling Price in 1886-87, in the districts of the Madras Presidency.

Districts and Towns in which the shops have been separately sold.	* Issues of spirits from Distilleries declared for consumption therein.	Excise duty.	Rent for the privilege of vend.	Total Revenue.	Still-head duty per gallon of 30° U.P.	Vend-farm rent per gallon of 30° U.P.	Rate of Revenue realised per gallon of 30° U.P.	Average reported retail selling price per gallon of 30° U.P.
1	2	3	4	5	6	7	8	
Rural Tracts.	GALS.	RS.	RS.	RS.	RS. A. P.	RS. A. P.	RS. A. P.	RS. A. P.
Ganjam (excluding Berhampore town)	31,738	43,683	34,650	78,333	1 6 0	1 1 6	2 7 6	3 12 0 to 4 8 0 for 30° U. P. and 1 12 0 to 2 4 0 for 60° U. P.
Vizagapatam (coast talooks), excluding Vizagapatam, Bimlipatam, and Vizianagram towns.	10,134	12,159	5,416‡	17,575	1 4 0	0 8 6	1 12 6	4 0 0
Kistna, excluding Masulipatam, Guntúr, and Bezváda towns.	69,236	52,393	38,736	91,023	0 12 1	0 9 0	1 5 1	3 0 0
Nellore, excluding Nellore town ...	37,460	49,956	47,164	97,152	1 5 4	1 4 2	2 9 6	4 8 0
Cuddapah, excluding Cuddapah town	52,583	92,297	95,215	1,87,512	1 12 0	1 13 0	3 9 0	4 8 0
Anantapur	37,779	66,421	31,510	97,931	1 12 2	0 13 4	2 9 6	3 12 0
Bellary, excluding Bellary cantonment and Adóni town.	26,273	46,169	30,325	76,494	1 12 1	1 2 6	2 14 7	From Rs. 4 to Rs. 4-8
Kurnool (talooks west of Nallamalais), excluding Kurnool town.	50,070	65,716	67,440	1,33,156	1 5 0	1 5 7	2 10 7	4 4 0
Chingleput, excluding the four outside shops, the three cantonment shops, and Conjeveram town.	40,189	85,596	73,444	1,59,040	2 2 1	1 13 3	3 15 4	4 8 0
North Arcot, excluding Vellore and Wálajápet towns.	100,160	2,20,215	1,91,770	4,11,985	2 3 2	1 14 7	4 1 9	4 4 0
South Arcot, excluding Chidambaram Municipality.	106,660	2,07,987	......	2,07,987	1 15 2	......	1 15 2	3 12 0
Tanjore, excluding Tanjore, Kumbakónam, and Negapatam towns.	18,467	32,374	14,646	47,020	1 12 0	0 12 9	2 8 9	4 8 0
Trichinopoly, excluding Trichinopoly and Srírangam towns.	26,371	46,504	28 505	75,0(9	1 12 3	1 1 3	2 13 6	4 0 0
Madura, excluding Madura and Dindigul towns.	38,961	68,587	84,242	1,52,829	1 12 2	2 2 7	3 14 9	4 8 0
Tinnevelly	33,332	58,391	66,052	1,24,443	1 12 0	1 15 8	3 11 5	4 8 0
Coimbatore, excluding Coimbatore and Erode towns.	48,123	84,895	78,806	1.63,701	1 12 3	1 10 2	3 6 5	4 8 0 to 5 0 0
Salem, excluding Salem town	50,835	89,060	94,193	1,83.253	1 12 0	1 13 8	3 9 8	4 8 0
Wynaad	12,598	27,477	5,400	32,877	2 3 0	0 6 9	2 9 9	5 12 0 for 20° U. P.
Towns.								
Berhampore	4,375	6,016	8,222	14,238	1 6 0	1 14 1	3 4 1	4 2 0 for 30° U. P. and Rs. 2-1-0 for 60° U. P.
Vizagapatam, Bimlipatam, and Vizianagram.	32,026	40,032	26,471‡	66,503	1 4 0	0 13 2	2 1 2	3 0 0 to 3 12 0
Guntúr, Bezváda, and Masulipatam ...	38,469	28,852	42,227	71,079	0 12 0	1 1 6	1 13 6	2 4 0 to 3 8 0
Nellore	19,052	25,402	19,811	45,213	1 5 4	1 0 8	2 6 0	5 0 0
Cuddapah	12,079	26,423	13,377	39,800	2 3 0	1 1 7	3 4 7	4 8 0
Bellary Cantonment and Adoni ...	60,767	1,32,928	42,504	1,75,432	2 3 0	0 11 2	2 14 2	4 0 0
Kurnool	6,323	8,299	6,096	14,395	1 5 0	0 15 5	2 4 5	3 2 0
Madras (Pattai arrack)	60,003	1,68,102	81,803	2,49,905	2 12 10	1 5 10	4 2 8	4 8 0 to 5 4 0
Four outside shops, the three cantonment shops, and Conjeveram.	17,361	40,366	48,145	88,511	2 5 2	2 12 5	5 1 7	Varies from Rs. 4-8-0 in Conjeeveram to Rs. 5-0-0 in the outside and cantonment shops.
Vellore and Wálajápet	22,820	49,919	23,464	73,383	2 3 0	1 0 5	3 3 5	4 0 0
Chidambaram	2,023	5,396†	......	5.396	2 10 8	......	2 10 8	4 4 0
Tanjore, Kumbakónam, and Negapatam.	23,204	47,777	29,937	77,714	2 0 11	1 4 8	3 5 7	Varies from Rs. 3½ to Rs. 4½.
Trichinopoly Cantonment and Srírangam.	16,729	36,595	28,344	64,939	2 3 0	1 11 1	3 14 1	4 8 0
Madura and Dindigul	17,764	36,196	26,515	62,711	2 0 7	1 7 11	3 8 6	3 12 0
Coimbatore and Erode	11,995	25,895	16,542	42,437	2 2 6	1 6 1	3 8 7	4 0 0
Nílgiris	41,103	90,367	77,547	1,67,814	2 3 2	1 14 2	4 1 4	5 4 0
Salem	8,129	17,782	10,308	28,090	2 3 0	1 4 3	3 7 3	3 12 0
Five towns of Malabar	25,481	31,851	8,683	40,534	1 4 0	0 5 5	1 9 11	3 0 0

* The figures against towns represent actual consumption, the issues to towns not being separately shown: these have been deducted from the total issues and the balance shown against districts. Hence the excise duty shown against the latter is not exactly equal to the number of gallons mulipllied by the rate of duty.

† Includes a guaranteed surcharge of Rs. 1,450 on the sales within the Chidambaram Municipality.

‡ As the Vizianagram and Bimlipatam talook renters had the exclusive right of supplying spirits to the shopkeepers in the Vizianagram and Bimlipatam towns, part of the rental paid by them is shown against the towns in working out the incidence of revenue.

APPENDIX XI.

(SEE PARAGRAPHS 52 AND 59.)

Comparative statements showing the Number of Country-Spirit shops in each district of the Bengal, Bombay, and Madras Presidencies in 1886-87.

I.—BENGAL.

NAME OF DISTRICT.	Area in square miles.	POPULATION. Mahomedans.	Hindus and others.	Total.	Number of persons to the square mile.	Total number of country-spirit shops.	Average number of square miles to each shop.	Average number of population to each shop.	DESCRIPTION OF SHOPS. Fixed duty system.	Monthly tax system.
1	2	3	4	5	6	7	8	9	10	11
Burdwan	2,697	263,816	1,128,007	1,391,823	516	107	25	13,007	11	96
Bankoorah	2,621	46,274	995,478	1,041,752	397	131	20	7,952	......	131
Beerbhoom	1,756	162,621	631,807	794,428	452	56	31	14,186	......	56
Midnapore	5,082	164,001	2,351,564	2,515,565	495	160	32	15,722	......	160
Hooghly and Howrah, exclusive of town.	1,223 457	299,160	1,245,951	1,645,111	919	169	10	9,142	139	30
24-Pergunnahs	2,097	604,723	1,013,697	1,618,420	771	103	20	15,712	39	64
Calcutta, inclusive of Suburbs and Howrah Town.	50	242,837	547,396	790,233	18,377	138	·36	5,726	138	......
Nuddea	2,755	921,395	734,326	1,655,721	601	78	35	21,227	......	78
Jessore	2,925	1,170,505	768,870	1,939,375	663	47	62	41,263	......	47
Khulna	2,077	555,544	524,404	1,079,948	519	33	63	32,725	......	33
Moorshedabad	2,144	589,957	636,833	1,226,790	572	72	30	17,038	13	59
Dinajepore	4,118	795,824	718,522	1,514,346	367	65	63	23,297	......	65
Rajshahye	2,361	1,049,700	288,938	1,338,638	566	55	43	24,338	......	55
Rungpore	3,486	1,279,605	818,359	2,097,964	601	50	70	41,959	......	50
Bogra	1,498	593,411	140,947	734,358	490	30	50	24,478	......	30
Pubna	1,847	949,908	361,820	1,311,728	710	38	49	34,519	......	38
Darjeeling	1,234	8,309	147,336	155,645	126	34	36	4,577	......	34
Julpigoree	2,884	208,409	373,981	582,390	201	35	82	16,639	......	35
Dacca	2,797	1,250,687	865,663	2,116,350	756	86	33	24,608	11	75
Furreedpore	2,267	974,983	656,751	1,631,734	719	46	49	35,472	......	46
Backergunge	3,649	1,267,694	633,195	1,900,889	520	50	73	38,217	......	50
Mymensingh	6,287	2,038,505	1,013,461	3,051,966	485	67	94	45,551	......	67
Chittagong	2,567	801,986	330,355	1,132,341	441	28	92	40,440	......	28
Noakhally	1,641	608,592	212,180	820,772	500	13	126	63,136	......	13
Tipperah	2,491	1,007,740	511,598	1,519,338	609	36	69	42,203	......	36
Patna	2,079	213,141	1,543,715	1,756,856	845	190	11	9,246	45	145
Gya	4,712	233,098	1,891,584	2,124,682	450	217	22	9,791	23	194
Shahabad	4,365	146,732	1,818,177	1,964,909	450	140	31	14,035	15	125
Mozufferpore	3,003	316,308	2,265,752	2,582,060	859	118	25	21,881	......	118
Durbhunga	3,335	308,985	2,324,462	2,633,447	789	106	31	24,843	17	89
Sarun	2,622	269,142	2,011,240	2,280,382	869	132	20	17,275	14	118
Chumparun	3,531	242,687	1,478,921	1,721,608	487	131	27	13,142	8	123
Monghyr	3,921	187,517	1,782,257	1,969,774	502	203	19	9,703	23	180
Bhagulpore	4,268	185,533	1,780,625	1,966,158	460	158	27	12,440	21	137
Purneah	4,956	771,130	1,077,557	1,848,687	373	157	32	11,775	......	157
Maldah	1,891	329,525	380,923	710,448	365	52	36	13,662	......	52
Sonthal Pergunnahs	5,456	108,899	1,459,194	1,568,093	285	110	50	14,255	110	......
Cuttack	4,514	47,804	1,849,164	1,896,968	420	69	65	27,492	17	52
Pooree	2,473	14,003	874,484	888,487	359	56	44	15,865	10	46
Balasore	2,066	23,804	921,476	945,280	457	30	69	31,509	6	24
Hazaribagh	7,021	106,097	998,645	1,104,742	157	173	41	6,385	12	161
Lohardugga	12,045	77,403	1,531,841	1,609,244	133	293	41	5,492	......	293
Singbhoom	3,753	2,329	451,446	453,775	120	48	78	9,453	......	48
Manbhoom	4,147	45,453	1,012,775	1,058,228	256	170	24	6,224	......	170
Total ...	145,169	21,485,776	45,105,677	66,591,453	459	4,280	34	15,558	672	3,608

N.B.—The area and population of the Chittagong Hill Tracts have been excluded from this statement, as the number of country-spirit shops therein is not shown in the Board's Excise Reports.

II.—BOMBAY.*

NAME OF DISTRICT.	Area in square miles.	POPULATION. Mahomedans.	Hindus and others.	Total.	Number of persons to the square mile.	Number of country-spirit shops.	Average number of square miles to each shop.	Average number of population to each shop.
1	2	3	4	5	6	7	8	9
Bombay	22	158,713	614,483	773,196	35,145	347	·06	2,228
Ahmedabad	3,821	83,942	772,382	856,324	224	94	41	9,110
Kaira	1,609	72,954	731,846	804,800	500	53	30	15,185
Panch Mahals	1,613	16,060	239,419	255,479	158	58	28	4,405
Broach	1,453	67,248	259,682	326,930	225	61	24	5,360
Surat	1,662	55,547	558,651	614,198	370	313	5	1,962
Thana	3,936	42,391	764,976	807,367	205	429	9	1,882
Nasik	5,940	35,294	745,912	781,206	132	92	65	8,491
Khandesh	9,944	92,297	1,144,934	1,237,231	124	112	89	11,046
Ahmednagar	6,666	39,592	711,636	751,228	113	25	267	30,049
Poona	5,348	42,036	858,585	900,621	168	81	66	11,119
Sholapore	4,521	43,967	538,520	582,487	129	34	133	17,132
Satara	4,988	36,712	1,025,638	1,062,350	213	58	86	18,316
Belgaum	4,657	66,262	797,752	864,014	186	115	41	7,513
Dharwar	4,535	100,622	782,285	882,907	195	127	36	6,952
Bijapore	5,757	67,066	571,427	638,493	111	76	76	8,401
Kanara	3,911	24,282	397,558	421,840	108	195	20	2,163
Ratnagiri	3,922	71,051	926,039	997,090	254	208	19	4,803
Kolaba	1,803	17,891	464,939	482,830	268	169	11	2,857
Total ...	76,106	1,133,927	12,906,664	14,040,591	184	2,647	29	5,304

* These figures are exclusive of Sind and Aden.

III.—MADRAS.

NAME OF DISTRICT.	Area in square miles.	POPULATION. Mahomedans.	Hindus and others.	Total.	Number of persons to the square mile.	Number of country-spirit shops.	Average number of square miles to each shop.	Average number of population to each shop.
1	2	3	4	5	6	7	8	9
Ganjam	8,311	6,073	1,743,531	1,749,604	223	743	11	2,355
Vizagapatam	17,380	20,403	2,464,738	2,485,141	143	1,635	11	1,520
Godaveri	7,345	38,798	1,752,714	1,791,512	244	~~2,730~~ 1539	~~3~~ 5	~~665~~ 1164
Kistna	8,471	87,161	1,461,319	1,548,480	183	2,879	3	538
Nellore	8,739	61,344	1,158,892	1,220,236	140	373	23	3,271
Cuddapah	8,745	97,749	1,023,289	1,121,038	128	663	13	1,691
Anantapur	5,103	40,239	559,650	599,889	118	422	12	1,422
Bellary	5,904	69,767	667,040	736,807	125	400	15	1,842
Kurnool	7,788	81,827	627,478	709,305	91	826	9	859
Madras	27	50,298	355,550	405,848	15,031	53	·5	7,657
Chingleput	2,842	25,034	956,347	981,381	345	426	7	2,304
North Arcot	7,256	82,438	1,735,376	1,817,814	251	766	9	2,373
South "	4,873	48,289	1,766,449	1,814,738	372	1,003	5	1,809
Tanjore	3,654	112,058	2,018,325	2,130,383	583	321	11	6,637
Trichinopoly	3,561	34,104	1,180,929	1,215,033	341	370	10	3,284
Madura	8,401	140,948	2,027,732	2,168,680	258	815	10	2,661
Tinnevelly	5,381	89,767	1,609,980	1,699,747	316	1,093	5	1,555
Coimbatore	7,842	37,855	1,619,835	1,657,690	211	732	11	2,265
Nilgiris	957	3,531	87,503	91,034	95	52	18	1,751
Salem	7,653	51,092	1,548,503	1,599,595	209	758	10	2,110
South Canara	3,902	93,652	865,862	959,514	246	1,060	4	905
Malabar	5,763	652,198	1,712,837	2,365,035	410	~~8,013~~ 4801	1 7	~~393~~ 493
Total ...	139,898	1,924,625	28,943,879	30,868,504	221	~~20,088~~ 21730	~~7~~ 7	~~1,159~~ 1420

IV.—BENGAL, BOMBAY, AND MADRAS STATEMENTS COMPARED.

NAME OF PRESIDENCY.	Area in square miles.	POPULATION. Mahomedans.	Hindus and others.	Total.	Number of persons to the square mile.	Number of country-spirit shops.	Average number of square miles to each shop.	Average number of population to each shop.
1	2	3	4	5	6	7	8	9
Bengal	145,169	21,485,776	45,105,677	66,591,453	459	4,280	34	15,558
Bombay	76,108	1,133,927	12,906,664	14,040,591	184	2,647	29	5,304
Madras	139,898	1,924,625	28,943,879	30,868,504	221	~~20,088~~ 21,730	~~6~~ 7	~~1,159~~ 1420

APPENDIX XII.

(SEE PARAGRAPH 53.)

Statement showing the Consumption of Country Spirits in gallons of strength 30° U. P. in the Excise districts of the Madras Presidency for the years 1882-83 to 1887-88.

	DISTRICTS.	1882-83.	1883-84.	1884-85.	1885-86.	1886-87.	1887-88.
1	Anantapur	40,188	38,513	41,351	27,386	37,040	45,161
2	Arcot, North	107,013	114,044	123,438	117,951	123,383	130,224
3	Do., South	71,848	77,822	94,456	90,505	107,116	114,773
4	Bellary District	36,796	39,988	33,046	23,953	32,442	43,447
	Do. Cantonment ...	62,008	66,979	64,819	52,984	53,615	60,976
5	Chingleput	62,226	55,218	64,988	63,083	58,748	84,160
6	Coimbatore	68,906	70,034	59,448	48,603	54,791	53,269
7	Cuddapah	75,558	72,567	80,259	53,060	62,306	65,432
8	Ganjam	56,413	59,765	67,233	37,480	35,113	36,424
9	Kurnool	Under renting system.			55,914	58,889	71,055
10	Madras Town—Colombo ...	105,367*	107,513*	108,682*	99,577*	77,868*	81,744*
	Ditto—Puttai	66,569	64,499	65,660	53,157	58,571	96,143
11	Madura	59,988	68,188	71,933	59,196	55,852	60,792
12	Nellore	54,615	54,859	50,608	44,516	56,875	63,079
13	Nilgiris	60,233	58,460	48,802	39,645	41,297	49,589
14	Salem	69,655	78,817	70,404	51,821	59,385	76,909
15	Tanjore	47,333	43,699	49,327	33,804	40,955	51,862
16	Tinnevelly	44,672	53,024	52,673	35,342	31,000	31,024
17	Trichinopoly	49,209	52,481	55,196	37,538	41,524	45,939
18	Vizagapatam	17,457	15,186	14,179	14,175	37,827	44,256
19	Malabar—Wynaad ...	11,901	13,459	14,074	12,386	13,169	13,377
	Do.—Five towns ...	......	......	......	21,717	25,481	23,079
	Total ...	1,167,955	1,205,115	1,230,576	1,073,793	1,163,247	1,342,714

* 25° U. P.

APPENDIX XIII.

(SEE PARAGRAPH 53.)

Statement showing the percentage of the drinking population to the whole population in the Madras Presidency.

DISTRICT.	Total population.	Non-drinking classes.	Remainder drinking classes.	Percentage of drinking population to whole population.
Excise.				
Ganjam	1,503,301	598,314	904,987	60·2
Vizagapatam	838,949	376,688	462,261	55·1
Nellore	1,220,236	627,741	592,495	48·5
Cuddapa	1,121,038	629,149	491,889	43·8
Anantapur	599,889	255,300	344,589	57·4
Bellary	672,815	203,863	468,952	69·7
Ditto Cantonment	53,460	16,199	37,261	69·7
Chingleput	981,381	298,729	682,652	69·5
North Arcot	1,817,814	758,312	1,059,502	58·2
South Arcot	1,814,738	421,508	1,393,230	76·7
Tanjore	2,130,383	711,099	1,419,284	66·6
Trichinopoly	1,215,033	310,996	904,037	74·4
Madura	2,168,680	812,021	1,356,659	62·5
Tinnevelly	1,699,747	570,220	1,129,527	66·4
Coimbatore	1,657,690	860,875	796,815	48·0
Nilgiris and Wynaad	179,125	62,747	116,378	64·9
Salem	1,599,595	527,329	1,072,266	67·0
Total ...	21,273,874	8,041,090	13,232,784	62·2
Rented.				
Vizagapatam	1,399,772	557,110	842,662	60·2
Godavari	1,744,957	773,016	971,941	55·7
Kistna	1,548,480	821,014	727,466	46·9
Kurnool	678,451	323,622	354,829	52·3
South Canara	955,842	412,924	542,918	56·8
Malabar, excluding Wynaad Taluk ...	2,266,143	1,108,613	1,157,530	51·0
Total ...	8,593,645	3,996,299	4,597,346	53·4
Amani.				
Madras	405,848	197,843	208,005	51·2
GRAND TOTAL ...	30,273,367	12,235,232	18,038,135	59·5

APPENDIX XIV.

(SEE PARAGRAPH 55.)

Statements showing (1) the proportions of the total Salt charges debitable to (i) Orissa, (ii) the Madras Presidency. and (iii) Abkari for 1887-88.

ITEMS.	Total charges.	Debitable to Orissa.	Net Madras Presidency.	INCREASE ON ACCOUNT OF ABKARI.		Net debitable to Salt.
				Proportion.	Amount.	
1	2	3	4	5	6	7
	Rs.	Rs.	Rs.		Rs.	Rs.
Deputy Commissioners ...	45,600	......	45,600	$\frac{1}{3}$	15,200	30,400
Assistant ditto ...	71,189	15,677	55,512	$\frac{600}{5000}$	6,661	48,851
House-rent to ditto ...	5,403	1,193	4,210	$\frac{30}{350}$	361	3,849
Inspectors	1,41,442	18,985	1,22,457	$\frac{1650}{15550}$	12,994	1,09,463
Assistant Inspectors ...	1,50,703	10,792	1,39,911	$\frac{3335}{11135}$	41,904	98,007
Sub-Inspectors	1,18,255	1.870	1,16,385	$\frac{4035}{12325}$	38,103	78,282
Deputy Commissioner's establishment.	9,802	......	9,802	$\frac{1}{3}$	3,267	6,535
Assistant Commissioner's establishment.	22,643	4,303	18,340	$\frac{159}{1607}$	1,815	16,525
Circle Establishment—						
Clerks	40,875	3,717	37,158	$\frac{370}{2675}$	5,140	32,018
Servants and guards ...	3,77,257	6,436	3,70,821	$\frac{3953}{35924}$	40,804	3,30,017
Total A ...	9,83,169	62,973	9,20,196	......	1,66,249	7,53,947
Travelling allowance ...	71,809	6,758	65,051	$\frac{166000}{920000}$		
Postage	14,256	840	13,416			
Telegrams	2,474	317	2,157			
Miscellaneous	1,299	20	1,279			
I. (b) Office*	20,790	1,109	19,681			
Arms and accoutrements and ammunition.	636	......	636			
Purchase, repair, and carriage of tents.	8,540	196	8,344			
Total B ...	1,19,804	9,240	1,10,564	......	19,948	90,616
Total A & B ...	11,02,973	72,213	10,30,760	......	1,86,197	8,44,563
Total of remaining items ...	4,36,090	5,086	4,31,004	......	......	4,31,004
Add pure Abkari ...	......	......	......	......	56,908	......
GRAND TOTAL ...	15,39,063	77,299	14,61,764	......	2,43,105	12,75,567

(2) *the details of pure Abkari charges* (*Rs.* 56,908).

Items.	Amount.	Total.
	Rs.	
Guarding establishment	4,109	
Temporary ditto	11,124	
Travelling allowance	354	
Postage	86	
Telegrams	40	
I. (b) Office*	198	
Registration charges	4,126	
Law charges	110	
Rewards	24,816	
Copying judgments (charges for)	361	
Batta to prisoners and witnesses	268	
Fees for working during holidays and extra hours	253	
Conveying contraband articles	109	
Compensation to Madras Municipality ...	7,452	
Purchase of abkari still	2,022	
Compensation for loss in Tuticorin	1,139	
II—1 (b) Revenue†	137	
Stamping gallon measures	177	
Other items	27	
Total		56,908
Add proportion of Salt charges debitable to Excise as per Total A and B in Statement A		1,86,197
Total Abkari		2,43,105

* Charges for office contingencies, admissible without detailed audit.
† Revenue contingencies, *i.e.*, incurred for the protection of the revenue, admissible without detailed audit.

APPENDIX XV.

[See Paragraph 61 (d).]

Statement showing the retail prices of Country-Spirits of varying strengths in each district and sub-division of Bengal.

(*N.B.*—The spirits were tested at 80°F.)

1	2	3		4		5				6				7		8
		Distillery liquor.		Outstill liquor.		Distillery liquor.				Outstill liquor.				Total quantity sold in the year in gallons.		
Serial number.	Name of district and sub-division.	Average strength.	Average retail selling price per quart bottle.	Average strength.	Average retail selling price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Distillery liquor.	Outstill liquor.	Remarks.
					Rs. A. P.		Rs. A. P.				Rs. A. P.		Rs. A. P.		Gallons.	
1	*Burdwan.*															
	Sudder	Goor, 22° U. P. Mohwa, 22° U. P.	Goor, As. 14. Mohwa, As. 12.	......	......	Goor, 13° U. P. Mohwa, 22° U. P.	1 0 0 0 12 0	Goor, 80°-22° U. P. Mohwa, 80°-26°.	Goor, As. 14. Mohwa, As. 12.	......	......	......	......	5,243 gals. The proportion of goor to mohwa is 1 : 2.	......	In the sudder sub-division 50° U.P. average strength is sold, and its proportion to the total quantity would be as 3 : 1.
	Inner circle ...	......	......	Goor, 80°-48° U. P.	0 5 0	......	......	......	......	Goor, 80°-26° U. P.	0 8 0	Goor and rice, 80°-70° U. P.	0 3 0	......	42,031	
	Outer " ...	......	......	Goor, 80°-55° U. P.	0 4 0	......	......	......	......	Goor, 80°-35° U. P.	0 8 0	Goor and rice, 80°-70° U. P.	0 3 0	......		
	Ranigunge	......	......	Mohwa, 80°-92° U. P.	0 1 0	......	......	......	......	Mohwa, 80°-45° U. P.	0 4 0	Mohwa, 80°-96° U. P.	0 0 9	......	109,321	In Ranigunge liquor of 92° U.P. average strength is sold, and its proportion to the total quantity would be as 10 : 1.
	Cutwa	......	......	Goor, 80°-47° U. P.	0 5 0	......	......	......	......	Goor, 80°-20° U. P.	0 8 0	Goor and rice, 80°-70° U. P.	0 3 0	......	3,934	In Cutwa liquor of 80°-50° U.P. average strength is sold, and its proportion to the total quantity would be as 3 : 1.
	Culna	......	......	Goor, 80°-41° U. P.	0 6 0	......	......	......	......	Goor, 80°-8° U. P.	0 8 0	Goor, 80°-64° U. P.	0 4 0	......	13,165	In Culna liquor of 41° U. P. average strength is sold, and its proportion to the total quantity would be as 4 : 1.
2	*Bankoora.*															
	Sudder	......	......	51° U. P.	0 2 0	......	......	......	......	23° U. P.	0 4 0	80° U. P.	0 1 0	......	95,418	Of the total number of consumers of this district, 13 per cent. drink liquor sold at the rate of 4 annas a bottle, 62 per cent. drink liquor at 2 annas a bottle, and 25 per cent. drink liquor sold at 1 anna per bottle.
	Bishenpore ...	......	......	44° U. P.	0 2 0	......	......	......	......	15° U. P.	0 4 0	80° U. P.	0 1 0	......	31,848	
3	*Beerbhoom.*															
	Soory	......	......	52° U. P.	0 5 0	......	......	......	......	13° U. P.	0 8 0	81°	0 2 0	......	25,031	Liquor of 50° to 80° U. P. strength is most sold in this sub-division and represents nearly ⅔ of the total consumption.
	Rampore Hât ...	......	......	Mohwa, 65° U. P. Molasses, 55° U. P Rice, 70° U. P.	0 4 3 0 6 0 0 3 0	......	......	......	......	40° U. P. 30° U. P. 60° U. P.	0 5 0 0 8 0 0 4 0	70° U. P. 65° U. P. 75° U. P.	0 2 0 0 4 0 0 2 0	......	17,987	Two-thirds of this liquor have been sold at 2 annas per bottle; the remaining ⅓ at a higher rate.
4	*Midnapore.*															
	Sudder	......	......	38° U. P.	0 3 7	......	......	......	......	4° U. P.	0 10 0	80° U. P.	0 1 0	......	117,588	50° U. P. liquor is generally sold.
	Ghattal	......	......	37° U. P.	0 9 0	......	......	......	......	8° U. P.	0 12 0	82° U. P.	0 2 0	......	25,356	64° U. P. ditto ditto.
	Contai	......	......	11° U. P.	0 6 0	......	......	......	......	2° U. P.	0 8 0	28° U. P.	0 4 0	......	3,420	20° U. P. ditto ditto.
	Tamluk	......	......	30° U. P.	0 8 0	......	......	......	......	2° U. P.	0 10 0	70° U. P.	0 4 0	......	6,600	20° U. P. ditto ditto.
5	*Hooghly.*															
	Hooghly (Sudder)	32° U. P.	0 14 0	40° U. P.	0 5 0	80° U. P.	1 2 0	55° U. P.	0 12 0	12° U. P.	0 8 0	46° U. P.	0 3 0	8,237	17,197	The strength of the distillery liquor most sold is 36° U. P., and its consumption is about 50 per cent. of the total liquor consumed. The strength of the outstill liquor most sold is 38° U. P., and its consumption is about 70 per cent. of the total liquor consumed.
	Serampore	20° U. P.	1 4 0	27° U. P.	0 7 0	3° U. P.	1 8 0	32° U. P.	1 0 0	11° U. P.	0 10 0	54° U. P.	0 3 0	8,765	17,175	The strength of the distillery liquor most sold is 16° U. P., and its consumption is about 65 per cent. of the total liquor sold. The strength of the outstill liquor most sold is 20° U. P. About 50 per cent. of this liquor is consumed out of the total consumption.
	Jehanabad ...	....	....	45° U. P. Molasses, 40° U. P. Mohwa, 6?° U. P. Rice, 55° U. P.	0 3 0 0 4 0 0 2 0 0 2 0	......	......	......	......	12° U. P. 12° U. P. 35° U. P. 40° U. P.	0 8 0 0 8 0 0 2 0 0 2 0	75° U. P. 50° U. P. 75° U. P. 75° U. P.	0 2 0 0 3 0 0 1 6 0 1 6	....	27,617 24,584 1,505 1,528	The strength of the outstill liquor most consumed is 50° U. P, and out of the total consumption, about 70 per cent. of this liquor is consumed.
6	*Howrah.*															
	Howrah	......	......	30° U. P.	0 10 0	......	......	......	......	26° U. P.	0 11 0	34° U. P.	0 8 0	......	10,331	34° U. P.
	Uluberia	......	......	30° U. P.	0 10 0	......	......	......	......	26° U. P.	0 11 0	34° U. P.	0 8 0	......	8,169	34° U. P.
7	*24-Pergunnahs.*															
	Sudder	25° U. P.	1 2 0	......	......	16° U. P.	1 4 0	40° U. P.	1 0 0	......	......	......	......	7,620	......	
	Barrackpore ...	25° U. P.	1 2 0	......	......	16° U. P.	1 4 0	40° U. P.	1 0 0	......	......	......	......	4,554	......	
	Dum-Dum ...	25° U. P.	1 2 0	......	......	16° U. P.	1 4 0	40° U. P.	1 0 0	......	......	......	......	1,004	......	
	Baraset	30° U. P.	1 2 0	......	......	20° U. P.	1 3 0	40° U. P.	0 14 0	......	......	......	......	1,579	......	
	Sudder (inner ring)	......	......	30° U. P.	0 9 0	......	......	......	......	16° U. P.	0 10 0	40° U. P.	0 6 0	......	10,844	
	Do. (outer) ...	......	......	35° U. P.	0 7 0	......	......	......	......	16° U. P.	0 10 0	50° U. P.	0 5 0	......	11,693	
	Baraset (inner) ...	......	......	30° U. P.	0 9 0	......	......	......	......	16° U. P.	0 10 0	40° U. P.	0 6 0	......	3,250	
	Do. (outer) ...	......	......	35° U. P.	0 7 0	......	......	......	......	16° U. P.	0 10 0	50° U. P.	0 5 0	......	1,569	
	Diamond Harbour (outer).	......	......	38° U. P.	0 6 6	......	......	......	......	16° U. P.	0 10 0	50° U. P.	0 5 0	......	5,781	
	Bussirhat (outer)...	......	......	38° U. P.	0 6 6	......	......	......	......	16° U. P.	0 10 0	50° U. P.	0 5 0	......	5,084	
8	*Calcutta.*															
	Calcutta	31° U. P.	0 12 0	......	......	3° U. P.	1 4 0	70° U. P.	0 8 0	......	......	......	......	201,297	......	
9	*Nuddea.*															
	Sudder	......	......	32° U. P.	0 8 0	......	......	......	......	16° U. P.	0 12 0	51° U. P.	0 4 0	......	13,088	
	Ranaghat	......	......	27° U. P.	0 6 0	......	......	......	......	10° U. P.	0 8 0	38° U. P.	0 4 0	......	23,144	
	Meherpur	......	......	37° U. P.	0 11 0	......	......	......	......	20° U. P.	1 0 0	44° U. P.	0 8 0	......	1,150	
	Chooadanga ...	......	......	34° U. P.	0 8 0	......	......	......	......	7° U. P.	1 0 0	50° U. P.	0 6 0	......	1,552	
	Kushtea	......	......	26° U. P.	0 12 0	......	......	......	......	15° U. P.	1 0 0	45° U. P.	0 8 0	......	2,899	
10	*Jessore.*															
	Sudder	....	....	Molasses, 29° U. P. Mohwa, 40° U. P.	0 9 6 0 6 0	......	......	......	......	18° U. P. 40° U. P.	0 14 0 0 6 0	59° U. P. 40° U. P.	0 6 0 0 6 0	....	5,251	
															Gals.	
	Jhenida	......	......	Molasses, 27° U. P.	0 9 7	......	......	......	......	20° U. P.	0 12 0	36° U. P.	0 8 0	......	2,324	32° U. P. and below most consumed.
	Magura	......	......	ditto, 36° U. P.	0 9 0	......	......	......	......	23° U. P.	0 10 0	62° U. P.	0 8 0	......	1,780	40° U. P. ditto ditto.
	Narail	......	......	ditto, 44° U. P.	0 7 3	......	......	......	......	28° U. P.	0 10 0	66° U. P.	0 4 0	......	2,696	47° U. P. ditto ditto.
	Bongong	......	......	ditto. 31° U. P.	0 8 4	......	......	......	......	20° U. P.	0 12 0	48° U. P.	0 6 0	......	3,461	

1	2	3		4		5				6				7		8
		DISTILLERY LIQUOR.		OUTSTILL LIQUOR.		DISTILLERY LIQUOR.				OUTSTILL LIQUOR.				TOTAL QUANTITY SOLD IN THE YEAR IN GALLONS.		
Serial number.	NAME OF DISTRICT AND SUB-DIVISION.	Average strength.	Average retail selling price per quart bottle.	Average strength.	Average retail selling price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Distillery liquor.	Outstill liquor.	REMARKS.
			Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.	Gallons.	Gallons.	
11	*Khulna.*															
	Khulna	......	......	29° U. P.	0 10 0	......	......	......	......	19° U. P.	0 12 0	40°	0 8 0	......	8,830	Sixty per cent. of the drinking population take the liquor of the minimum strength and 40 per cent. of the maximum.
	Satkhira	......	......	25° U. P.	0 10 0	......	......	......	......	20° U. P.	0 12 0	30°	0 7 0	......	5,004	
	Bagirhat	......	......	43° U. P.	0 8 0	......	......	......	......	30° UP.	0 10 0	57°	0 6 0	......	5,292	
12	*Moorshedabad.*															
	Sudder	23° U. P.	1 4 0	......	......	10° U. P.	1 8 0	36° U. P.	1 0 0	......	......	......	......	3,371 U. P.	......	(1) The material used in the sudder sub-division is molasses only. The strength of the distillery liquor most sold is 36° U. P, and that of the outstill liquor is 40° U. P. The proportion of the distillery liquor ordinarily sold to the total quantity consumed is 2 : 1, and that of the outstill liquor is 3 : 1.
	Inner circle ...	......	......	42° U. P.	0 10 6	......	......	......	......	30° U. P.	0 12 0	56° U. P.	0 9 0	......	2,371 L.P.	
	Outer ,, ...	......	......	36° U. P.	0 10 0	......	......	......	......	24° U. P.	0 12 0	46° U. P.	0 8 0	......		
	Lalbagh ...	32° U. P.	1 0 0	45° U. P.	0 9 0	20° U. P.	2 0 0	66° U. P.	1 0 0	36° U. P.	0 10 0	53° U. P.	0 8 0	2,349 U. P.	1,572 L. P.	(2) Molasses is the only material used in manufacturing distillery liquor in Lalbag. The strength of distillery liquor most sold is 40° U. P., and that of outstill liquor manufactured from molasses, mohwa, and rice is 45° U. P.
	Kandi—															
	Inner circle ...	......	......	24° U. P.	0 10 6	......	......	......	......	3° U. P.	0 12 0	45° U. P.	0 9 0	......	4,906	(3) The materials used in manufacturing liquor in Kandi and Jangipore sub-divisions are molasses, mohwa, and rice (mohwa with small quantity of molasses is used in Jangipur and rice with a small quantity of molasses is used in Kandi). The strength of the liquor most sold in Kandi 38° U. P., and in Jangipore 28° U. P.
	Outer ,, ...	......	......	28° U. P.	0 10 0	......	......	......	......	7° U. P.	0 12 0	69° U. P.	0 8 0	......		
	Jangipore—															
	Inner circle ...	......	......	58° U. P.	0 9 0	......	......	......	......	58° U. P.	0 9 0	58° U. P.	0 9 0	......	8,418	(4) The figures shown in column 7 are for the year 1887-88 and those of the other columns for the current year. (5) The figures regarding outstills against Lalbagh are for outstills in the inner circle only.
	Outer ,, ...	......	......	33° U. P.	0 9 0	......	......	......	......	22° U. P.	0 10 0	60° U. P.	0 8 0	......		
13	*Dinagepore*															
	Sudder	......	......	80° U. P.	0 4 0	......	......	......	......	80° U. P.	0 4 0	80° U. P.	0 4 0	......	4,319	
	Raigunge	......	......	71° U. P.	0 4 0	......	......	......	......	66° U. P.	0 4 0	80° U. P.	0 4 0	......	991	
	Nithpur	......	......	73° U. P.	0 4 0	......	......	......	......	70°	0 4 0	80° U. P.	0 4 0	......	318	
	Birampur	......	......	80° U. P.	0 4 0	......	......	......	......	80°	0 4 0	80° U. P.	0 4 0	......	1,340	
14	*Rajshahye.*															
	Sudder	......	......	36° U. P.	0 7 0	......	......	......	......	10° U. P.	0 12 0	85° U. P.	0 2 0	......	9,151	
	Dighapattya ...	......	......	52° U. P.	0 10 0	......	......	......	......	20° U. P.	0 14 0	81° U. P.	0 8 0	......	851	
	Nowgong	......	......	55° U. P.	0 6 0	......	......	......	......	41° U. P.	0 8 0	69° U. P.	0 4 0	......	1,433	
15	*Rungpore.*															
	Sudder	......	......	Molasses, 42° U. P.	0 10 0	......	......	......	......	22° U. P.	1 0 0	64° U. P.	0 6 0	......	4,380	The liquor which is sold most is made from molasses. Its average strength is 51° U. P. Its price is 8 annas per quart bottle. The quantity sold of it is about $\frac{2}{3}$ of the whole.
				Mohwa, 57° U. P.	0 8 0	......	......	......	......	53° U. P.	0 8 0	62° U. P.	0 8 0	......	396	
	Kurigram	......	......	Molasses, 29° U.P.	0 13 0	......	......	......	......	12° U. P.	1 0 0	46° U. P.	0 8 0	......	3,012	20° U. P. is the average strength of liquor most sold. Its price is Re. 1 per quart bottle. The quantity sold is $\frac{1}{3}$ of the whole.
				Molasses 38° U. P. and rice.	0 11 0	......	......	......	......	32° U. P.	0 12 0	52° U. P.	0 8 0	......	1,476	The liquor which is sold most is made from rice and molasses. Its average strength is 42° U. P. Its price is 10 annas per quart bottle. The quantity sold is $\frac{11}{18}$ of the whole.
	Gaibunda	......	......	Molasses, 42° U. P.	0 9 0	......	......	......	......	32° U. P.	0 12 0	52° U. P.	0 8 0	......	2,984	
				Mohwa, and Molasses, 44° U. P.	0 8 0	......	......	......	......	32° U. P.	0 12 0	56° U. P.	0 4 0	......	492	
	Nilphamari ...	......	......	Mohwa, ... Molasses, 58° U. P.	0 5 6	......	......	......	......	36° U. P.	1 0 0	80° U. P.	0 4 0	......	2,400	The liquor which is sold most is made from mohwa and molasses. Its average strength is 80° U. P. Its price is 4 annas per quart bottle. The quantity sold is $\frac{3}{8}$ of the whole.
				Molasses, 44° U. P.	0 12 0	......	......	......	......	39° U. P.	1 0 0	60° U. P.	0 8 0	......	360	
16	*Bogra.*															
	Bogra	......	......	42° U. P.	0 9 6	......	......	......	......	14° U. P.	1 0 0	75° U. P.	0 4 0	......	9,502° L.P.	Of which 5,905 gallons of the average strength of 48° U. P. were sold, and the rest of higher strength, the proportion being 1 : 1·6, &c.
17	*Pubna.*															
	Sudder	......	......	Goor, 21°-22° U. P.	A. A. 11—12	......	......	......	......	12° U. P.	0 14 0	40° U. P.	0 8 0	......	6,137	
		......	......	Mohwa, 54° U. P.	7	......	......	......	......	54° U. P.	0 7 0	70° U. P.	......	......		
	Serajgunj	......	......	Goor, 46° U. P.	Rs. A. P. 0 12 0	......	......	......	......	32° U. P.	......	48° U. P.	0 8 0	......	13,695	
		......	......	Mohwa, 75° U. P.	0 4 0	......	......	......	......	74° U. P.	0 4 0	76° U. P.	0 4 0	......		
18	*Darjeeling.*															
	Darjeeling	......	......	50° U. P.	0 6 6	......	......	......	......	44° U. P.	0 8 6	56° U. P.	0 4 6	......	9,260	
	Kurseong	......	......	46° U. P.	0 14 6	......	......	......	......	32° U. P.	1 0 0	67° U. P.	0 7 0	......	5,275	
	Silliguri	......	......	45° U. P.	0 12 0	......	......	......	......	31° U. P.	1 0 0	73° U. P.	0 4 0	......	15,205	
19	*Julpigoree.*															
	Sudder	......	......	48° U. P.	0 9 6	......	......	......	......	18° U. P.	1 0 0	70° U. P.	0 4 0	......	16,400 of all kinds.	The strength of liquor most sold, viz., that at 8 annas per bottle, averages 54° U. P., and the proportion its consumption bears to the total quantity consumed is 2 : 3.
	Alipur	......	......	36° U. P.	0 9 0	......	......	......	......	15° U. P.	1 0 0	50° U. P. (Molasses and mohwa.) 65° U. P. (Rice).	0 8 0 0 4 0	......	4,600 of all kinds.	The strength of liquor most sold, viz., that at 8 annas per bottle, averages 50° U. P. and the proportion it bears to the total quantity consumed is 2 : 3.
20	*Dacca.*															
	Sudder	50° U. P.	0 14 0	34° U. P.	0 9 3	40°	1 0 0	60° U. P.	0 12 0	19° U. P.	0 12 0	56° U. P.	0 6 0	4,309	9,993	
	Kaligunge	......	......	31° U. P.	0 11 6	......	......	......	......	15° U. P.	1 0 0	59° U. P.	0 8 0	......	7,314	
	Moonshigunge ...	......	......	35° U. P.	0 10 6	......	......	......	......	12° U. P.	0 12 0	54° U. P.	0 6 0	......	7,359	
	Manickgunge ...	......	......	37° U. P.	0 11 0	......	......	......	......	32° U. P.	1 0 0	60° U. P.	0 7 0	......	4,425	
21	*Furreedpore.*															
	Sudder	......	......	28° U. P.	0 10 0	......	......	......	......	24° U. P.	0 12 0	32° U. P.	0 8 0	......	4,474	Liquor of minimum strength is mostly used in this district. The proportion it bears to the whole quantity is 3 to 4, or 75 per cent.
	Madaripore ...	......	......	......*	0 10 0	......	......	......	......	......*	0 12 0	......*	0 8 0	......	5,334	* Not tested.
	Goalundo	......	......	25° U. P.	0 13 0	......	......	......	......	15° U. P.	1 0 0	34° U. P.	0 8 0	......	3,721	

1	2	3		4		5				6				7		8
		DISTILLERY LIQUOR.		OUTSTILL LIQUOR.		DISTILLERY LIQUOR.				OUTSTILL LIQUOR.				TOTAL QUANTITY SOLD IN THE YEAR IN GALLONS.		
Serial number.	NAME OF DISTRICT AND SUB-DIVISION.	Average strength.	Average retail selling price per quart bottle.	Average strength.	Average retail selling price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Distillery liquor.	Outstill liquor.	REMARKS.
			Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.	Gallons.	Gallons.	
22	*Backergunge.*															
	Sudder	......	......	28° U. P.	0 9 3	......	......	......	......	16° U. P.	1 0 0	50° U. P.	0 6 0	......	10,300	The strength of the liquor most sold in this sub-division is 30° U. P., and it forms ⅔ of the total quantity consumed.
	Perozepur	......	......	30° U. P.	0 8 9	......	......	......	......	18° U. P.	0 12 0	62° U. P.	0 6 0	......	4,400	The strength of the liquor most sold in this sub-division is 32° U. P., and it forms ⅘ of the total quantity consumed.
	Patuakhali	......	......	29° U. P.	0 10 10	......	......	......	......	20° U. P.	1 0 0	60° U. P.	0 8 0	......	2,500	The strength of the liquor most sold in this sub-division is 32° U. P., and it forms ⅔ of the total quantity consumed.
	Bhola	......	......	32° U. P.	0 12 6	......	......	......	......	20° U. P.	1 0 0	50° U. P.	0 8 0	......	1,975	The strength of the liquor most sold in this sub-division is 35° U.P., and it forms ⅗ of the total quantity consumed.
23	*Mymensingh.*															
	Sudder	......	......	25° U. P.	0 12 0	......	......	......	......	10° U. P.	1 0 0	40° U. P.	0 8 0	......	13,537	25° U. P., 66 per cent. most sold.
	Netrokona ..	......	......	25° U. P.	0 12 0	......	......	......	......	10° U. P.	1 0 0	40° U. P.	0 8 0	......	8,150	
	Jamalpore	......	......	25° U. P.	0 12 0	......	......	......	......	10° U. P.	1 0 0	40° U. P.	0 8 0	......	6,150	
	Kishorgunj ...	......	......	25° U. P.	0 12 0	......	......	......	......	10° U. P.	1 0 0	40° U. P.	0 8 0	......	6,060	
	Atia (Tangail) ...	......	......	25° U. P.	0 12 0	......	......	......	......						2,977	
24	*Chittagong.*															
	Chittagong (Sudder)	......	......	58° U. P.	0 4 9	......	......	......	......	50° U. P.	0 8 0	70° U. P.	0 4 0	......	8,124	70° U. P. is the strength of the liquor, forming about ⅘ of the total consumption.
	Cox's Bazar ...	......	......	63° U. P.	0 7 6	......	......	......	......	48° U. P.	1 0 0	63° U. P.	0 6 0	......	525	68° U. P. is the strength of the liquor most consumed. It forms ⅔ of the total consumption. The liquor of 48° U. P. strength and selling at one rupee per quart bottle is rarely sold.
25	*Noakholly.*															
	Bulloosh	......	......	40° U. P.	0 14 0	......	......	......	......	20° U. P.	1 0 0	50° U. P.	0 10 0	......	1,200	
	Fenni	......	......	17° U. P.	0 12 0	......	......	......	......	10° U. P.	1 0 0	25° U. P.	0 8 0	......	187	The distillation of liquor requires rice, molasses, and bakher only in this district.

1	2	3		4		5				6				7		8
26	*Tipperah.*															
	Sudder	......	......	28° U. P.	0 12 0	......	......	......	......	16° U. P.	1 0 0	50° U. P.	0 8 0	......	2,642	The strength of the liquor most sold in the sudder sub-division is 16° U. P. The proportion its consumption bears to the total quantity consumed is as 1 : 2.
	Chandpur	......	......	21° U. P.	0 12 0	......	......	......	......	21° U. P.	1 0 0	21° U. P.	0 8 0	......	1,082	There is only one kind of liquor sold over the whole Chandpur sub-division, but the price varies according to the demand for the liquor and the circumstances of the consumers.
	Brahmanbaria ...	......	......	37° U. P.	0 9 0	......	......	......	......	19° U. P.	1 0 0	58° U. P.	0 4 0	......	3,930	The strength of the liquor most sold in this sub-division is 44° U. P. The proportion its consumption bears to the total quantity sold is as 2 : 3.
27	*Patna.*															
	Patna (Sudder) ...	80° U. P.	0 1 9	(Inner circle.) 80° U. P. (Outer circle.) 81° U. P.	0 1 9 0 1 6	28° U. P.	0 12 0	82° U. P.	0 1 6	(Inner circle.) 54° U. P. (Outer circle.) 56 U. P.	0 4 0 0 4 0	81° U. P. 82° U. P.	0 1 3 0 1 0	438,319	437,169	Average is struck only of the khasia and dobara liquor, which is most consumed. The strength of the liquor most sold is 82°—85°, and ⅞ of the total quantity consumed is of this strength. The liquor of the higher strength is very rarely used.
	Behar	......	......	81° U. P.	0 1 6	......	......	......	......	55° U. P.	0 4 0	85° U. P.	0 1 0	......	503,319	
	Barh	......	......	81° U. P.	0 1 6	......	......	......	......	55° U. P.	0 4 0	85° U. P.	0 1 0	......	371,223	
	Dinapore	......	......	80° U. P.	0 1 6	......	......	......	......	60° U. P.	0 4 0	82° U. P.	0 1 3	......	214,433	
28	*Gya.*															
	Gya	86° U. P.	0 2 6	83° to 85° U. P.	0 0 9	76° U. P.	0 4 0	94° U. P.	0 1 7	78° U. P. 78° U. P.	0 1 1½ to 0 1 1½	88° U.P. 92° U. P.	0 0 7 0 0 4½	110,270	19,404 113,232	Outer circle—89°, 25·68 per cent. Inner circle—88°, 90 per cent. Outer circle—88° and 92°, 90 per cent.
	Nowadah	......	......	85° U. P.	0 0 9	......	......	......	......	78° U. P.	0 1 1½	92° U. P.	0 0 4½	......	78,756	88° and 92°—90 per cent.
	Aurungabad ...	......	......	80° U. P.	0 0 6	......	......	......	......	78° U. P.	0 1 1½	92° U. P.	0 0 4½	......	62,376	88° and 92°—90 per cent.
	Jehanabad ...	......	......	80° U. P.	0 0 6	......	......	......	......	78° U. P.	0 1 1½	88° U. P.	0 0 7	......	50,481	88° and 92°—90 per cent. *N.B.*—The total consumption of spirits of all sorts manufactured in the distillery is 117,124 gallons, but the quantity of spirits considered as "ordinarily consumed" amounts to 110,270 gallons.
29	*Shahabad.*															
	Arrah (Sudder) ...	70° U. P.	0 4 9	......	......	53° U. P.	0 8 0	86° U. P.	0 1 6	......	......	......	......	55,846	......	The strength of the liquor most sold is 86° U. P., and its proportion to the total quantity consumed is 8 to 10.
	Arrah (inner circle)	......	......	80° U. P.	0 1 6	......	......	......	......	70° U. P.	0 2 3	90° U. P.	0 0 9	......	87,587	Strength of the liquor most sold, 90° U. P. The quantity of the liquor most sold in proportion to the total quantity consumed is 9 to 10.
	Arrah (outer circle)	......	......	81° U. P.	0 1 3	......	......	......	......	66° U. P.	0 2 0	96° U. P.	0 0 6	......	447,027	Strength of the liquor most sold, 90° U. P., and its proportion to the total quantity consumed is 9 to 10.
	Buxar	......	......	81° U. P.	0 1 10½	......	......	......	......	66° U. P.	0 2 0	94° U. P.	0 0 3	......	232,083	Strength of the liquor most sold, 94° U. P., and its proportion to the total quantity consumed is 9 to 10.
	Sasseram	......	......	80° U. P.	0 1 9	......	......	......	......	68° U. P.	0 3 0	92° U. P.	0 0 6	......	406,593	86° U. P. The quantity of liquor most sold to the total quantity consumed is 9 to 10.
	Bhabua	......	......	58° U. P.	0 2 9	......	......	......	......	30° U. P.	0 4 0	86° U. P.	0 0 9	......	52,861	86° U. P. The total quantity of liquor most sold to the total quantity consumed is 6 to 10.

1	2	3		4		5				6				7		8
Serial number.	Name of District and Sub-division.	Distillery liquor.		Outstill liquor.		Distillery liquor.				Outstill liquor.				Total quantity sold in the year in gallons.		Remarks.
		Average strength.	Average retail selling price per quart bottle.	Average strength.	Average retail selling price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Distillery liquor.	Outstill liquor.	
			Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.	Gallons.	Gallons.	
30	*Mozufferpore.*															
	Mozufferpore (inner circle).	68° U. P.	0 4 3	78° U. P.	0 2 0	11° U. P.	1 0 0	86° U. P.	0 1 10	31° U. P.	0 12 0	87° U. P.	0 1 6	19,637	21,490	Distillery liquor of the strength of 70° is mostly in demand, and is sold at 4 annas per bottle. Its consumption may be estimated at 80 per cent. of the total quantity sold. In the inner circle the liquor of 87° is largely sold at 1½ anna per bottle, and is 75 per cent. of the total quantity consumed.
	Mozufferpore (outer circle).	......	......	72° U. P.	0 2 0	......	......	......	......	42° U. P.	0 8 0	95° U. P.	0 1 0	......	120,408	In the outer circle the liquor of the strength of 95° is largely consumed, and is retailed at 1 anna per bottle. Its consumption is 80 per cent. of the total quantity.
	Hajipore	......	......	76° U. P.	0 2 0	......	......	......	......	30° U. P.	0 12 0	93° U. P.	0 1 0	......	154,161	
	Sitamarhi	......	......	85° U. P.	0 2 0	......	......	......	......	26° U. P.	1 0 0	93° U. P.	0 1 0	......	80,670	Mohwa with a little quantity of goor is used in the manufacture of liquor in this district.
31	*Durbhunga.*															
	Durbhunga (Sudder). Mohwa mixed with a little goor and chua.	66° U. P.	0 6 0	......	......	6° U. P.	1 0 0	86° U. P.	0 3 6	......	......	......	......	10,091*	......	* Liquor of the average strength of 58° U. P. is most consumed in the distillery tract. The proportion of consumption of this sort of liquor to the total quantity is 1 to 2.
	Inner circle, ditto	......	......	61° U. P.	0 6 9	......	......	......	......	22° U. P.	1 0 0	82° U. P.	0 1 6	......	8,923	Liquor of the average strength of 85° U. P. is most consumed.
	Outer circle, ditto	......	......	66° U. P.	0 6 0	......	......	......	......	22° U. P.	1 0 0	84° U. P.	0 1 0	......	14,877	
	Madhubani, ditto	......	......	62° U. P.	0 6 0	......	......	......	......	22° U. P.	1 0 0	82° U. P.	0 0 9	......	45,946	
	Tajpur, ditto	......	......	66° U. P.	0 6 0	......	......	......	......	15° U. P.	1 0 0	96° U. P.	0 1 0	......	82,589	
32	*Sarun.*															
	Sudder (inner circle).	76° U. P.	0 3 4	86° U. P.	0 2 1	50° U. P.	0 7 0	94½° U. P.	0 1 0	65° U. P.	0 4 0	90° U. P.	0 1 0	51,353	165,423	
	Sudder (outer circle).	......	......	77° U. P.	0 2 0	......	......	......	......	66° U. P.	0 4 0	86° U. P.	0 0 9	......	716,173	(1) Mohwa is generally used in the manufacture of spirit, with a nominal quantity of chua.
	Sewan	......	......	73° U. P.	0 2 0	......	......	......	......	41° U. P	0 4 0	89° U. P.	0 0 9	......	459,003	(2) The consumption of the district is almost entirely that of the inferior kind of liquor, khasia, the strength of which is given below:— U. P. Distillery tract ... ... 94°; Outstills—Sudder sub-division (inner circle)... ... 89°; Outstills—Sudder sub-division (outer circle) ... 64°; Outstills—Sewan and Gopalgunge sub-divisions ... 86°
	Gopalgunge ...	......	......	70° U.	0 2 0	......	......	......	......	49° U. P.	0 4 0	87° U. P.	0 0 9	......	288,115	(3) The proportion of consumption of khasia liquor to the total quantity consumed is 80 per cent., or 4 : 5.

1	2	3		4		5				6				7		8
33	*Champarun.*															
	Motihari (Sudder)	......	......	76° U. P.	0 2 0	......	......	......	......	72° U. P.	0 3 0	86° U. P.	0 1 0	......	365,177	The strength of liquor most sold in this district is 91° U. P.
	Bettiah (Sudder) ...	69° U. P.	0 5 3	......	......	49° U. P.	0 8 0	90° U. P.	0 2 6	......	......	......	......	27,624	......	
	" (inner circle)	......	......	72° U. P.	0 2 6	......	......	......	......	44° U. P.	0 4 0	94° U. P.	0 1 0	......	99,709	
	" (outer circle)	......	......	75° U. P	0 2 6	......	......	......	......	65° U. P.	0 4 0	95° U. P.	0 1 0	......	261,748	
34	*Monghyr.*															
	Monghyr (Sudder)	76° U. P.	0 4 0	......	......	20° U. P.	1 0 0	84° U. P.	0 2 0	......	......	......	......	41,451	......	The strength of the liquor most sold is 80 to 85° U. P. It constitutes 80 and 85 per cent. of the total consumption of liquor in the distillery and outstill areas respectively.
	Inner circle ...	......	......	77° U. P.	0 1 9	......	......	......	......	50° U. P.	0 8 0	82° U. P.	0 1 6	......	42,210	
	Outer circle ...	......	......	78° U. P.	0 1 3	......	......	......	......	24° U. P.	0 8 0	84° U. P.	0 1 0	......	773,587	In one outstill of the Jamui sub-division, tari was found to be used in the manufacture of liquor mixed with mohwa.
	Begusarai (outer circle).	......	......	82° U. P.	0 1 3	......	......	......	......	54° U. P.	0 4 0	90° U. P.	0 1 0	......		
	Jamui (outer circle)	......	......	77° U. P.	0 1⅓ 0	......	......	......	......	42° U. P.	0 4 0	85° U. P.	0 1 0	......		
35	*Bhagulpore.*															
	Sudder	64° U. P.	0 5 0	78° U. P.	0 1 6	......	1 0 0	80° U. P.	0 3 0	10° U. P.	1 0 0	80° U. P.	0 1 0	28,723	120,864	70° U. P. sudder distillery liquor and 86° U. P. outstill liquor most sold.
	Banka	......	......	78° U. P.	0 1 3	......	......	......	......	10° U. P.	1 0 0	80° U. P.	0 0 9	......	101,568	
	Modehpurah ...	......	......	72° U. P.	0 3 6	......	......	......	......	12° U. P.	1 0 0	74° U. P.	0 2 0	......	55,008	
	Soopole	......	......	72° U. P.	0 3 6	......	......	......	......	12° U. P.	1 0 0	74° U. P.	0 2 0	......	24,096	
36	*Purneah.*															Hydr. Th.
	Sudder	......	......	67° U. P.	0 2 6	......	......	......	......	12° U. P.	0 8 0	88° U. P.	0 1 0	......	148,375	70°—80° most sold; 53 per cent. of the liquor consumed in the Sudder.
	Kishengunj ...	......	......	62° U. P.	0 4 0	......	......	......	......	42° U. P.	0 8 0	80° U. P.	0 2 0	......	23,803	50°—80° most sold; 80 per cent. of the liquor most consumed.
	Arrareah	......	......	54° U. P.	0 3 0	......	......	......	......	30° U. P.	0 8 0	61° U. P.	0 2 0	......	22,490	61°—80° most sold. The proportion is 66 per cent.
37	*Maldah.*															
	Mohwa	......	......	65° U. P.	0 4 0	......	......	......	......	18° U. P.	1 0 0	5° U. P.	0 2 0	......	59,062	Average strength of 4 annas liquor, which is mostly consumed, is 63° U. P., and its consumption is 51 per cent. of the total quantity consumed in the district.
	Rice	......	......	77° U. P.	0 2 0	......	......	......	......	54° U. P.	0 4 0	82° U. P.	0 2 0	......	5,569	
	Molasses ...	......	......	58° U. P.	0 4 0	......	......	......	......	22° U. P.	0 12 0	68° U. P.	0 4 0	......	3,826	

1	2	3		4		5				6				7		8
		Distillery liquor.		Outstill liquor.		Distillery liquor.				Outstill liquor.				Total quantity sold in the year in gallons.		
Serial number.	Name of district and sub-division.	Average strength.	Average retail selling price per quart bottle.	Average strength.	Average retail selling price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Maximum strength.	Price per quart bottle.	Minimum strength.	Price per quart bottle.	Distillery liquor.	Outstill liquor.	Remarks.
			Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.		Rs. A. P.	Gallons.	Gallons.	
38	*Sonthal Pergunnahs.*															
	Dumka (Sudder) ...	54° U. P.	0 7 0	......	......	4° U. P.	0 12 0	71° U. P.	0 4 0	......	......	......	......	4,332	......	Liquor of strength from 40 to 55° most consumed. Proportion of this to the whole quantity consumed is 80 per cent.
	Deoghur	66° U. P.	0 8 0	......	......	3° U. P.	0 12 0	62° U. P.	0 4 0	......	......	......	......	5,834	......	Liquor of strength from 56 to 59° most consumed, and proportion 75 per cent.
	Godda	60° U. P.	0 5 4	......	......	50° U. P.	0 8 0	72° U. P.	0 3 0	......	......	......	......	12,463	......	Liquor of strength from 50 to 72° most consumed, and proportion about 80 per cent. Liquor of strength from 54 to 80 most consumed.
	Rajmehal	54° U. P.	0 12 0	......	......	36° U. P.	1 4 0	80° U. P.	0 6 0	......	......	......	......	9,874	......	Proportion of this to the whole quantity consumed is 75 per cent.
	Pakour	52° U. P.	0 8 0	......	......	38° U. P.	0 12 0	60° U. P.	0 6 0	......	......	......	......	2,646	......	Liquor of strength from 50 to 80° most consumed, and proportion 40 per cent.
	Jamtara	63° U. P.	0 8 0	......	......	8° U. P.	12 0	71° U. P.	0 4 0	......	......	......	......	369	......	Liquor of strength 56 to 63° most consumed, and proportion about 50 per cent.
39	*Cuttack.*															
	Cuttack (Sudder)*	34° U. P.	0 9 0	......	......	10° U. P.	0 10 0	55° U. P.	0 8 0	......	......	......	......	8,849	......	*The strength of the liquor most consumed varies from 34° U. P. to 55° U. P.; 75 per cent. of the total consumption is liquor of the strength given above.
	Inner circle ...	......	......	46° U. P.	0 5 0	......	......	......	......	10° U. P.	0 6 0	58° U. P.	0 4 0	......	1,114	
	Outer " ...	......	......	44° U. P.	0 4 0	......	......	......	......	10° U. P.	0 8 0	66° U. P.	0 3 4	......	1,012	
	Jaipur ...	......	......	21° U. P.	0 5 6	......	......	......	......	15° U. P.	0 6 0	35° U. P.	0 4 6	......	2,300	
	Kendrapara ...	......	......	35° U. P.	0 6 0	......	......	......	......	10° U. P.	0 8 0	46° U. P.	0 4 0	......	1,026	
	Banki ...	......	......	60° U. P.	0 3 2	......	......	......	......	54° U. P.	0 4 0	68° U. P.	0 2 0	......	1,441	
40	*Pooree.*															
	Sudder ...	45° U. P.	0 10 0	......	......	80° U. P.	0 12 0	83° U. P.	0 8 0	......	......	......	......	2,215	......	Most sold, 45° U. P.
	Inner circle ...	......	......	46° U. P.	0 7 0	......	......	......	......	32° U. P.	0 10 0	60° U. P.	0 6 0	......	364	Two-thirds of this sort of spirit is sold.
	Outer " ...	......	......	50° U. P.	0 3 0	......	......	......	......	38° U. P.	0 4 0	60° U. P.	0 2 0	......	1,184	
	Khorda ... ... { Inner circle		......	45° U. P.	0 3 0	......	......	......	......	12° U. P.	0 10 0	51° U. P.	0 2 6	......	} 3,017	
	Khorda ... ... { Outer "		......	51° U. P.	0 2 6	......	......	......	......	25° U. P.	0 8 0	64° U. P.	0 1 6	......		
41	*Balasore.*															
	Sudder	5° U. P.	0 13 0	......	......	3° U. P.	1 0 0	9° U. P.	0 11 0	......	......	......	......	2,132†	......	† Liquor most sold is of the average strength. Its consumption bears 80 per cent. to the total quantity sold.
	Inner circle ...	......	......	21° U. P.	0 4 6	......	......	......	......	Proof-spirit	0 7 0	77° U. P.	0 2 5	......	138½	
	Outer " ...	......	......	24° U. P.	0 4 6	......	......	......	......	3° U. P.	0 6 0	67° U. P.	0 2 0	......	719	
	Bhadrukh " ...	......	......	15° U. P.	0 7 6	......	......	......	......	3° O. P.	0 12 0	66 U. P.	0 4 0	......	1,649	

42	*Hazaribagh.*															
	Hazaribagh (Sudder).	......	......	80° U. P.	0 1 0	......	......	......	......	40° U. P.	0 6 0	88° U. P.	0 0 9	......	884,388	Mohwa is the only article from which liquor is manufactured in this district.
	Giridi { Inner circle	64° U. P.	0 5 3	72° U. P.	0 2 3	22° U. P.	0 8 0	89° U. P.	0 3 0	58° U. P.	0 4 0	85° U. P.	0 0 6	22,004	6[illegible],315	
	Giridi { Outer "	......	......	71° U. P.	0 2 3	......	......	......	......	43° U. P.	0 4 0	90° U. P.	0 0 6	......	169,182	
43	*Lohardugga.*															
	Sudder sub-division.	......	......	84° U. P.	0 6 9	......	......	......	......	20° U. P.	0 8 0	90° U. P.	0 0 6	......	......*	* Not known.
44	*Singbhoom.*															
	Singbhoom	......	......	28° U. P.	0 1 9	......	......	......	......	17° U. P.	0 2 2	39° U. P.	0 1 5	......	603	Only two kinds of liquor are consumed here—phuli and rasi. Rasi is most consumed.
45	*Manbhoom.*															
	Purulia (i.e., Sudder).	......	......	80° U. P.	0 0 9	......	......	......	......	52° U. P.	0 4 0	84° U. P.	0 0 6	......	(a)50,136 L. P.	(a) The total estimated quantity of *phuli* sold during the year was 12,534 gallons; that of rasi 338,418 gallons; grand total 350,952 gallons. The percentage of *rasi* was thus 94·4 and its average strength was 80° U. P.
	Govindpore... ...	......	......	80° U. P.	0 4 6	......	......	......	......	52° U. P.	0 4 0	80° U. P.	0 0 6	......	(b)23,880 L. P.	(b) The percentage of *rasi* was thus 96·4, and its average strength was 80° U. P.

R. D. R. & others—Reg. No. 2726J—250—9-8-88.