

MADRAS RECORD OFFICE.

Government of Madras.

Revenue
Palani DEPARTMENT

38

G.O. No. 226	Press <u>INTS.</u>
Dated 28 4	1948

Not to be folded or roughly handled

Fort Saint George, Political Consultation, 4th May 1858.

No. 4. From Lieut. General W. CULLEN, Resident of Travancore and Cochin; to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 25th and 31st March 1858, Nos. 16 and 20.

Sir,

I have the honor to acknowledge the receipt of the Extract from Minutes of Consultation, No. 167 of the 8th March 1858, on the annual Financial Statements of the Cochin Sirkar for 1832, and with reference to the Dewan's suggestion "to undertake the supply of Tobacco" "from the Port of Cochin," which it is observed "the Resident does not notice in his report," I beg respectfully to state as follows.

2. At the close of a report from the late Dewan of Travancore, No. 718 of the 12th May 1857, on the Tobacco Monopoly, forwarded to Government, in Nos. 21, 27 of the 14th and 20th May respectively, he offered the following suggestions:

Para: 16. "As for British Cochin since the permission granted by the Honorable Company for any party to import Tobacco there is abused to a serious extent as regards Travancore, and the Honorable Company's Government in abolishing the Tobacco Monopoly in their Territory desired nothing more, I should suppose, than that their Ryots should have the advantage of purchasing the article for their use as cheaply as possible. The Travancore Sirkar will be quite prepared to sell such a fixed quantity of the article as may be required for the consumption of the inhabitants of Cochin and the Farms at Shertallay at any cheap rate of price that may be decided upon consideration of all circumstances and make a corresponding reduction if necessary in the rates of price at which it is now sold to the Company's subjects at Anjengo and Tangacherry or even supply gratuitously the whole quantity that may be required for the consumption of the Company's subjects at Anjengo, Tangacherry and the Company's Farms at Shertallay as well as British Cochin, if the British Government would condescend to make such arrangements as would ensure that no Tobacco whatever is landed at those places under the plea that it is for the consumption of the Company's subjects, on whom the Tobacco Monopoly in Travancore cannot be a restraint under the above proposal of the Sirkar, as thereby those subjects would be enabled to possess the greater advantage of obtaining the Article at cheaper rates than can be wished for or even gratuitously.

3. It was to this proposal that the Dewan of Cochin alluded in his report of the 26th November 1857. I offered no remark, because in the Extract from Minutes of Consultation, No. 413 of the 29th May 1857, the Government stated that the suggestion had been referred for the report of the Acting Collector of Malabar, and trusting to the importance of the original suggestion, backed as it was by the subsequent recommendation of the Dewan of Cochin, I relied on receiving an early and favorable reply from Government on the subject generally.

4. Were the suggestion carried out, it would be of the utmost benefit to both of the Sirkars, especially to Travancore, which has so many Company's Depôts, or preserves, in the very midst of its population, while as far as the "Port of Cochin" and its inhabitants are concerned, Tobacco would perhaps be furnished cheaper to them than it is at present.

5. It would greatly facilitate arrangements for the gradual extinction of the Monopoly, for the Sirkars might be required at once to reduce their selling prices by an amount equal to what they now lose by the existence of smuggling, and other subsidiary measures might also perhaps be called for to satisfy the Government that the reform was actually in operation. The stoppage of the smuggling of Tobacco, through the Port of Cochin, would at once also put a stop to the smuggling of Pepper, because it is chiefly in exchange for the Tobacco that the Pepper is brought there, I hear that upwards of 1,600 Candies of Travancore Pepper, value one lac and 30,000 Rupees have been smuggled through the Port of Cochin during the last 12 months.

6. As far as regards the indigenous population of Cochin who require Tobacco for their consumption, the suggested mode of supply through the Sirkars at the average market price will, I hope, meet with no objection, and although there are parties at Cochin, who benefit largely by the sale of Tobacco as well as Pepper through smuggling into and from Travancore and Cochin, it can hardly be deemed a legitimate or just or liberal course of treatment to two friendly States, on whose produce exclusively the prosperity of the Port of Cochin as a Company's possession depends.

Fort Saint George, Political Consultation, 4th May 1858.

7. Should the measure be approved of it, will be necessary to call on the Acting Collector for prompt report of the quantities of Tobacco likely to be required for the

Port of Cochin.
Tangacherry,
And Anjengo.

For the two latter places, I believe, the Dewan of Travancore can readily afford the required information.

8. Of course also, if the measure be approved of, these Sirkars would agree to purchase all Tobacco actually stored there at the time.

9. The subjoined are the present retail rates of Tobacco, as now selling by the two Sirkars.

	Jaffna.	Coimbatore.
Travancore at per Candy.....	430.....	112.
Cochin.....	115.....	111.

No. 5.

SIR,

I have the honor to state, for the information of Government, that I have received from the Acting Dewan of Travancore an application for the renewal of the lease of the Tangacherry Farm which expires on the 12th of July next.

The first lease in the year 1822 was for 24 years; but on application for its renewal in 1845, the Government granted the lease for 12 years only and that lease is now about to expire.

To Government No. 36, of 31st Decr. 1845.
" " 15, of 27th April 1846.
Minutes of Consultation, No. 44, of 23rd Jany. 1846.

3. Although the Government may be disposed to renew the lease for an extended period, it may perhaps be permitted for 2 or 3 years longer, or until the final orders of Government on the Sirkar Monopolies of Tobacco and Pepper may be determined upon and final orders passed on the suggestions offered in my letter, No. 16 of the 25th Instant.

4. In my report to Government, No. 15 of 27th April 1846, I have observed para :

7. "The Sirkar derive no pecuniary advantage from the Farm, they get no profit, their total receipts do not exceed 1,500 Rupees per annum, while their expences inclusive of the rent for the Farm are not less than 3,000 Rupees, but the great object is the prevention of smuggling."

8. "At the period of the original lease, Colonel Newill estimated that about 800 Candies of Tobacco were annually imported into Changencherry, although, the annual consumption of the Inhabitants of the place did not exceed ten Candies; the consumption now is about 15 Candies."

No. 6. ORDER THEREON, No. 286; dated 28th April 1858.

In his letter of the 31st March Lieutenant General Cullen forwards, for the favorable consideration of Government, an application from the Acting Dewan of Travancore, for the renewal of the lease of the Tangacherry Farm, which expires with the current fusly. The lease now expiring was granted in the year 1845, being a renewal of a lease which was made in 1822.

2. In submitting this application, the Resident suggests that the existing lease may, at any rate, be prolonged for two or three years longer, or until final orders are passed on the Sirkars Monopolies of Tobacco and Pepper, and on the suggestions offered in his letter of the 25th March last, the first of the two recorded at the head of these Proceedings.

3. The suggestions in question emanated originally from the late Dewan. Acting on the supposition that the sole object of the British Government, in abolishing the Tobacco Monopoly in their Territories, was to secure to its subjects the use of that commodity at the cheapest possible rates, the late Dewan offered to supply gratuitously the whole quantity that may be required for the consumption of the Company's subjects at Anjengo, Tangacherry, the Company's Farms at Shertally, as well as in British Cochin, provided the British Government would condescend to make

Fort Saint George, Political Consultation, 4th May 1858.

"such arrangements as would ensure that no Tobacco whatever is landed at those places under the plea that it is for the consumption of the Company's subjects, on whom the Tobacco Monopoly in Travancore cannot be a restraint under the above proposal."

4. The author of this suggestion is now dead, and the Government believe it will not be necessary to instruct the present incumbent of the Office, one of the most promising *élèves* (Madhava Row of the Presidency College, that in annulling the restrictions of the tariff on this point, the Government had primarily in view the introduction of true fiscal principles and consequently the peace of the country, in the dispersion of bands of lawless men who attracted by the profits of smuggling, were prepared, at all risks, to defy the authority of the Police in the prosecution of their illicit trade, and the removal of a temptation sufficient for the demoralization of every public Official brought in contact with it. That the results of a sounder fiscal system would ultimately, and at no distant period, repay them for the sacrifice immediately involved in the abolition of the Monopoly they felt no manner of doubt. Already in Malabar alone, where in 1852-3, Rupees 5,66,112 was sacrificed at a blow, the revenue from permanent resources has been found to increase in the ratio of a lac to a lac and a half a year.

From Magistrate of Malabar, dated 6th July 1857.

6. Besides this, the Resident must be aware that not even the most coercive measures will suffice to put down the contraband traffic which is now carried on in the importation of Tobacco and the exportation of another Sirkar Monopoly, Pepper. Such measures have been tried, and the melancholy loss of life that has resulted in their adoption has repeatedly called for the deep regret of Government, and such sanguinary results can no longer be tolerated. What is required is the supersession of the Sirkar Monopoly by a more healthy fiscal system. To this subject the Resident's attention was directed in Extract Minutes Consultation, No. 18 of the 6th January last, and no reply has as yet been received.

6. It will not, the Governor in Council trusts, be much longer delayed. On its receipt he will be enabled to consider what recommendations it will be proper to make to the Government of India as to the share of the immediate loss to be borne by the East India Company. In the meanwhile, pending the final settlement of the question, he resolves to direct that the existing lease be renewed to the Travancore State from year to year. He observes that in a recent despatch, the Honorable Court lay it down, not for the first time, that "if Tobacco continues in any shape to be a source of Revenue at Travancore, it will probably be necessary that those places, (i. e. British Settlements,) which are included in that Territory, be brought under the same fiscal system."

* No. 4 of 1858, para : 57.
† No. 3 of 1856.

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(Signed) T. PYCROFT,
Chief Secretary.

Edw. J. A. Wilson

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The only doubt is whether we
can renew the lease with
ref. to Act ¹⁸⁹³ under
the opinion expressed in para 8
of the Aho. Dec 4 letter of 30
Jan 7 which I have marked.

I think that we can do
in that case I propose that
the lease should be an annual
one with the understanding
that it is to be continued for five
to six years the monopoly question
is settled. W. H. I. 1000

[Faint handwritten notes, possibly bleed-through from the reverse side.]

✓ 0286.

Recd the following letters
from the Resident at Travancore
& Cochin.

} Here enter
 } Nos 16 and 20
 } d/ respectively 25th
 & 31st March/58



6

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Madhav Rao

From George H. Maitland
 5/6th July/57

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President of Revenue Board

No 4 of 50. P. 50.

10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100.

Alfred 1850. Department.
In 29th June 1850.

No. 207

Extract Mins. Cons.

Dated 22nd June 1850.

Handwritten notes:
The following is a list of the names of the persons who were present at the meeting of the Committee of the Council of the Government of India, held on the 22nd June 1850.

18-7-90
11
30-11-97

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