M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 86-87	Press ~~Mis.~~
M7-105	
Dated 13-1-1983	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 13th January 1863.

No. 167. Read the following Proceedings of the Board of Revenue, dated 7th January 1863:—

Read Proceedings of the Madras Government, dated 5th January 1863, No. 2, Revenue Department.

(In Cons. 6th January 1863, No. 38.)

1. The Board would suggest the addition of a Clause at the close of the Bill to the following effect:—

2. "The provisions of this Act shall be considered applicable to the Madras Presidency in "extension and modification of the provisions of Act XXXII of 1845, relative to the manufac- "ture in that Presidency of Spirituous liquors by the European process of distillation."

2,792 from Sea Customs, 11th in Cons. 12th June 1860.
2,794 Procs. 13th June 1860.
8,269 Procs. 18th December 1862.
8,274 to Calcutta Board of Revenue 18th December 1862.
8,275 to Govt. Solicitor, 18th December 1862.
8,143 from Govt. Solicitor, 22nd in Cons. 23rd December 1862.

3. The correspondence noted in the margin, of which copy is submitted, will show that the necessity for this extension exists, and the above addition appears to the Board to be all that is requisite for the purpose.

(A true Extract.)

(Signed.) W. HUDLESTON, *Secretary.*

No. 168. ORDER THEREON, 13th January 1863, No. 86.

The Governor in Council considers that Local would be more convenient than Imperial Legislation in this case.

(Signed) J. D. SIM,
Secretary to Government.

Ordered that the following letter be despatched:—

No. 169. From J. D. SIM, Esq., Secretary to the Government of Fort Saint George, to the Secretary to the Government of India, dated 13th January 1863, No. 87.

SIR,

No. 59 of 1862. 1. With reference to the Bill (marginally noted) now before the Council of the Governor General of India, for the purpose of making Laws and Regulations, I am directed to state that in the opinion of this Government it is desirable that Spirits made in this Presidency and used exclusively in Arts and Manufactures or in Chemistry, should be placed on the same footing as that on which Spirits made in Bengal and applied to the same purposes will be placed when the Bill above referred to becomes Law.

2. As the Abkary of this Presidency is administered under special laws, not applicable to the other Presidencies, the Governor in Council is decidedly of opinion that the object in view will be more conveniently attained by Local than by Imperial Legislation. I am therefore instructed to request the permission of the Governor General in Council for the introduction of a Bill similar to No. 59 of 1862, into the Council of the Governor of Madras.

3. The Madras Bill will differ from that of Bengal only in the Title, Preamble and Section VI, and the difference will consist in the substitution of the Madras Act No. XXXII of 1845 for those mentioned in the Bengal Bill.

4. The main reason for the proposal now made is that in the not improbable event of an early consolidation and revision of the Madras Abkary Laws, it will be very inconvenient if one of the Laws to be dealt with is applicable to another Presidency also, while all the rest are peculiar to Madras.

5. If however the Governor General in Council should still prefer to include Madras in the Bengal Bill, the Madras Act No. XXXII of 1845 should be included in its Title, Preamble and final Section.

In Con., 12th June 1860, No. 2,792.

From W. E. COCHRANE, Esq., Collector of SEA CUSTOMS,
dated Madras, 11th June 1860, No. 357.

I have the honor to forward the enclosed copy of correspondence,* regarding the issue of a Permit by the Collector of South Arcot to Messrs. Parry and Co., for conveyance to Madras of 4 quarter casks and 10 Hogsheads Varnish, and as that firm appear to have no special license or authority for the manufacture of Varnish from spirits distilled by them, and the wording of the Clause* referred to being "that the *whole* of "the spirituous liquor manufactured at such distillery, shall "be exported by sea, &c," I have thought it advisable before passing the Varnish to bring the subject to the notice of the Board for consideration and orders.

* To Messrs. Parry and Co., dated 4th June 1860, No. 3 0.
From do. do. dated 5th June 1860.
To Collector of South Arcot, dated 6th June 1860, No. 348.
From do. do. dated 8th June 1860, No. 75.

* Clause 2, Act No. XXXII of 1845.

Enc. 1.

Abstract.—Copy of correspondence with Messrs. Parry and Co. and the Collector of South Arcot, regarding the manufacture of Varnish.

Exd J. Tulloch.

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Exd J. Tulloch.

No. 2,794.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 13th June 1860.

Read letter from the Collector of Sea Customs, Madras, dated 11th June 1860, No. 357, forwarding with reference to Clause 2, Act No. XXXII of 1845, copy of correspondence with Messrs. Parry and Co. and the Collector of South Arcot, regarding the manufacture of Varnish in one of the Distilleries of that Firm for consideration and orders.

(In Con., 12th June 1860, No. 2,792.)

The Board do not consider that the manufacture and sale of Varnish come within the restrictions imposed by Act XXXII of 1845.

(A true Extract.)

(Signed) J. D. SIM,
Secretary.

To W. E. Cochrane, Esq., Collector of Sea Customs, Madras.

Exd. J. Wright.

Enclosure No. 2 in Proceedings of the Board of Revenue to the Secretary to Government Revenue Department, dated 7th May 1863.

R.R. 18/5/63

Board's Proceedings regarding the Collector of Sea Customs, Madras, dated 13th June 1860, No. 2794, regarding Abkarry Law.

No. 8,269.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 18th December 1862.

Read the following letter from C. J. SHUBRICK, Esq., Collector of Sea Customs, to W. HUDLESTON, Esq., Secretary to the Board of Revenue, dated 1st December 1862, No. 627:—

1. Referring to the Board's Proceedings of the 13th June 1860, No. 2,794, I have the honor to request they will be good enough to reconsider the question there mooted of the use of European made country Rum in the manufacture of varnish.

2. The question at issue which does not appear to have been properly put to them in 1860, is as to whether such Rum which by Section 2, Act XXXII of 1845, can only be disposed of in the manner there indicated, can or cannot be allowed to enter into the manufacture of articles for use in this country; for which imported or Abkarry spirits, both of which would have contributed to the exchequer, would otherwise have been required.

3. It appears to me to be perfectly clear that by allowing the use of European made country Rum in the manufacture of varnish for local use, we diminish the sale of imported or Aabkarry spirits, and lower the legitimate customs or Abkarry revenue.

4. The Legislature must certainly have had the protection of the revenue in view as one of its leading motives in framing the restrictive Clauses of Act XXXII of 1845; and allowing that Act to be infringed by the sale of Rum, under the name of varnish, without contributing to the Public revenue, seems to be contrary to its implied intention.

5. Section 3 of the Act prohibits the sale of rum either "directly or indirectly," and therefore seems to prohibit its leaving the distillery for any purposes whatever or in any shape whatever, except to the parties indicated in the Act.

6. The Board are probably not aware of the strength of the Rum manufactured in the European distilleries; but a late importation from Cuddalore under the name of varnish, showed a test of 45 per cent of spirits over proof; while the shell lac and other ingredients with which it was mixed, were so deficient in quantity, as to render it probable they were only added to give it a name, and pass it through the Custom House. The quantity of this so-called varnish amounted to over 500 gallons.

7. Under the Board's permission there is nothing but the fear of discovery to prevent this varnish being freed of its shell lac and other ingredients by simple boiling and mixture with borax, and consumed as genuine Rum to the detriment of the Abkarry revenue.

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1. The Board resolve to ascertain whether the use of country made Rum in the manufacture of varnish for sale in the country is permitted in the other Presidencies, and to take the opinion of the Government Law Officers whether such employment is in breach of the provisions of Act XXXII of 1845.

2. Mr. Shubrick's letter and the previous correspondence will be communicated to the Collector of Madras, with a request that he will put himself in communication with the Police Commissioner on the subject, and report whether there is any reason to suppose that country Rum is by the means suggested as possible, illicitly brought into the market for consumption to the injury of the Abkarry revenue.

(A true Copy and Extract.)

(Signed) W. HUDLESTON,
Secretary.

To C. J. Shubrick, Esq., Collector of Sea Customs, Madras.
„ B. Cunliffe, Esq., Collector of Madras,
with the previous correspondence on the subject.

Exd. J. Wright.

No. 8,274.

From W. HUDLESTON, Esq., Secretary to the Board of Revenue.

To the SECRETARY to the Board of Revenue, Calcutta.

„ the COMMISSIONER of Revenue, Bombay.

SIR,

1. It has been brought to the notice of the Madras Board of Revenue, that country made rum produced in the Sugar Factories of this Presidency is in some instances employed to a very considerable extent in the manufacture of varnish for sale in the local market, and it is suggested that even if such employment be not in breach of the provisions of Act XXXII of 1845 (which is certainly questionable) it is quite possible that the spirit may be separated from the resinous ingredients, and be brought into illicit consumption to the injury of the Abkarry revenue. A sample of a lot of 500 gallons of such varnish was lately tested, and gave a result of 45 per cent above proof for the spirituous strength.

2. The legal question involved will be referred to the proper authorities for their opinion, but meanwhile I am directed to request information as to whether any such employment of country made Rum exist, or is permitted in the Bengal (Bombay) Presidency.

I have the honor to be,
Sir,
Your most obedient servant,
(Signed) W. HUDLESTON,
Secretary.

REVENUE BOARD OFFICE,
Madras,
18th December 1862.

Mxd. J. Wright.

Copy of No. 3 in Proceedings of the Board of Revenue dated 18th December 1862.

Secretary to Govt. Revenue Dept. dated 9th January 1863.

No. Department.

PROCEEDINGS OF THE BOARD OF REVENUE.

Dated 18*th December* 1862.

Despatched

Received

No. 8,269.

Communicating to the Collector of Madras letter from the Collector of Sea Customs with previous papers, and requesting that he will put himself in communication with the Police Commissioner on the subject of the use of country made Rum in the manufacture of varnish for sale, and report whether it is illicitly brought into the market for consumption.

Madras, December 22nd 1862

No. 5314.

From,

John Miller Esqre

Acting Government Solicitor, Madras

To,

H. Stuckbeston Esqre

Secretary to the Board of Revenue.

Madras,

Sir,

I have the honor to acknowledge your letter of the 18th Instant relative to the operation of Act XXXII of 1845, as regards the disposal of County Rum, in the manufacture of Varnish.

2. I have submitted it for the consideration of the Advocate General and I now forward a Copy of his opinion.

I have the honor &c.

(Signed) John Miller.

Acting Govt Solicitor.

(True Copy)

H. Stuckbeston

Secretary.

Conclusion No. 5 in Proceedings of the Board of Revenue to the Secretary to Government Public Dated 5th January 1863 No.

1862. Department.

No.

From the Secretary to the Board of Revenue,

To the Acting Government Solicitor.

Dated 18*th December* 1862.

Despatched

Received

No. 8,275.

Requesting to obtain the opinion of the Advocate General as to whether the employment of country Rum in the manufacture of varnish for sale, and thereby displace the country spirit manufactured under the Abkarry system for consumption, is in breach of the provisions of Act XXXII of 1845.

Copy Opinion

There can be no question, in my opinion, but that the Makers of Rum, if they sell it to the Manufacturers of Varnish, do thereby commit a breach of the provisions of 9 & 10 Vict. 32. of 1846; the only doubt which suggests itself as possible to my mind being the case of the Makers of Rum themselves manufacturing the Rum into Varnish, and then selling not Rum, simple, but Varnish containing a certain quantity of Rum. Still the letter of the law is against even the latter practice, and if the Board have any reason to suppose that a practice exists of subsequently extracting the Rum from the Varnish, and selling it as spirit, the Board is unquestionably entitled in such case to say that the spirit of the Act obliges them under these circumstances, to enforce its letter — and to give notice to such Rum Makers as may be in the habit of manufacturing Varnish that the letter of the law will be enforced hereafter — To make Rum into Varnish is not

Enclosure No 1 in Precedent
Minute of the Board of Revenue
to the Secretary to Government
Revenue Department dated 7th
January 1863 No —

Approved
63.

Letter from the Secretary
stating Government decision
that as to the Secretary to
the Board of Revenue dated
22 December 1862 No 534
regarding Affidavit Law.

and a compliance with the enactment that they shall sell it to Government or to the Highest Bidder.

(Signed) R. Sydney Smyth
Advocate General

December 22nd, 1862.

(True Copy)
(Signed) John Miller
Actg. Govt. Solr.
(True Copy)

E. Maitland
Secretary.

No. 53 of 1862
Vide 2d Supplt Madras Gazette. 12 Decr 62
p. 2. 3.

No. 59 of 62.
Calcutta Gazette
p 4009.

Note.

A Bill is now before the Legislative Council to allow Spirits & be imported at a duty of 10 per cent ad Val: for Exclusive use in Arts & Manufactures & in Chemistry the Duty on Spirits imported for Consumption being Rs 3 per Gallon

To place Spirits made in India on the same footing in this respect with foreign Spirits, another Bill has been introduced into the Legislative Council & enquiry has been made by Telegraph whether it will

Enclosure in a letter from the Acting Government Solicitor dated 6th December 1862 No 534.

Copy Opinion

Geo Plowden

Sufficient to give the Govt. full power to extend the Bills" to Madras - or whether it is necessary to introduce additional provisions to adopt it."

The Bd. believe I immediately Lewis the Telegram are in favor of an additional Special clause, as given in their Enclosed Lrs:

There is a great difference between the Madras & Bengal Distillery Systems.

In Bengal the Distillery of Spirits in the European fashion is taxed & paying the Rent the Distiller may do what he pleases with his liquor -

Here there is no duty on such Spirits but the Distiller is tied down in his disposal of them. He must either Export it or sell it to the Abkary Renter or Govt. if they choose to buy. As an Abkary is rented of course sale to the Renter is indirectly taxing the Spirit - Export is free all over India.

There is no reason why the Concession proposed for Calcutta Bengal should not be extended to Madras. Into the

Course proposed
by the Board seems
unnecessary. I think it would
be sufficient to make the
same alteration in
the title & preamble
of the Bill as those
refer exclusively
to Bengal Acts /
and include an
act - No. 32 of 1845.
The title of the
Bill would then be
"An Act to amend
Act XXXII of 1845 (to
modify Reg. I of 1820
of the Madras Code,
relative to Manu-
facturing Spirits &
the European process
of Distillation) Act
XXI of 1856 (to con-
solidate & amend the
Laws relating to the

I think that we may
telegraph back to the
Govt of India that the
extension of the proposed
Act to Madras is desir-
able & that it may
made in the manner
now suggested.
8 Jan 63

Revenue
of Fort William in
Bengal / and Act
XXIII of 1860 (to amend
the said Act XXI of
1856) —

This I think will
meet every purpose
as the subsequent
provisions of the Bill
are general —

The Madras Act
should similarly
be included in
the Preamble &
Sect VI.

For Orders

S.P.

H 53

For Early Orders

@ 8 Lang 63 Rg

No 53 of 1862

From The Secretary to the Govt of Madras

Dated 2nd Jany 1862

Rec'd 7th Do

Ans'd

Circular

Requesting to be favoured with the Bill Prepared by the Advocate General for amending the Law relating to the Board of Revenue

Referred to the Board of Revenue

Dated 7th Jany 1862

Rec'd 7th Do

Ans'd

C. C.

No

From Govt of India
No 74 Feby 63 Cr No 399.

Suggesting the addition of a clause to the Bill introduced to amend the Abkarri laws.

No 86. 13 Jany

With an Order.

C & Jany 9th 62

5 Law P 63 Nos 3-4

Rec'd 1863 Jany 7th
Proceedings of the Board of Revenue

Dated 7th Jany 1862

Rec'd 7th Do

Ans'd

C. C.

No

From Govt of India
No 74 Feby 63 Cr No 399.

Suggesting the addition of a clause to the Bill introduced to amend the Abkarri laws.

No 167 & 168.

C & Jany 9th 62

No. 86.

The proper authorities that local legislation would be more convenient than suspended legislation in this case.

From Govt of Madras
13th January 1863

Telegram

Your Telegram of 2nd inst. Local legislation would be preferable as all the Abkary Laws of Madras are of local application & peculiar in some respects. Letter addressed by post put in the Home Dept.

C & Jany 9th 62

Bengal & published
& the same proc.
Rules will be placed
when the Bill
alone be passed &
become Laws

As the Advocate
of this Presidency
and administered
under Special
Laws, not applicable
& the other Presidencies
the fair C. is decidedly
of opinion that the
object in view will
be best accomplished
attained by Local
than by Imperial
Legislation. I am
therefore instructed
to request the permission
of the Govt in C. for
the introduction of

a Bill similar to
Act 59 of 1862 into
the Council of the
Govt of Madras.

The Madras
Bill will differ
from that of Bengal
only in the title-
Preamble and ~~both~~
Sect XL, and the
difference will
consist in the Substitution of the
Madras Act No XXXII
of 1865 for the mention
in the Bengal Bill

The main reason
for the proposal now
made is that in
the last unfortunate
breach of an Early
Solidation &
Revision of the Madras
Salary Laws, it will
be very inconvenient

if one of the Laws
the dealt with is
applicable & with
Presidency alone
while all the rest
are peculiar to
Madras.

If Prince of
Wales Island Sta
prefer & include
Madras in the
Bengal Bill, the
Madras Act 1832
of 1845 should be
included in the
Title, Preamble
and final Sections.

Sir Geo. Grey
13th January 1853

Revenue 1863 Deptt.
Pro: of Govt. for January.

No. 87.

To
The Secretary to the
Government of India.
Dated 13th January 1863.

Requesting permission
of the Governor General in
Council for the introduction
into the Council of Madras
of a Bill similar to Act No. 5 of
1862 of Imperial Legislation.

No. 169.