M.R.O. 1—39,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 627	Press Mis-
230-231	
Dated 9th March 1869	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 9th March 1869.

No. 230. Read the following Proceedings of the Board of Revenue, dated 29th January 1869, No. 601 :—

Read the following letter from the Collector of Ganjam, to the Acting Secretary to the Board of Revenue, dated Camp at Shergodah, 31st December 1868, No. 1,403.

1. I have the honor to submit, in original, a letter with annexures and Map from Mr. Minchin, Manager of the Aska Sugar Company, who offers, on certain conditions, to farm the exclusive privilege of both manufacturing and selling country-made spirits within the district of Ganjam.

2. The average revenue derived from the present system of Abkarry, taking the last eight years, amounts to Rupees 83,152 ; and the present lease, which expires on 30th June next, realizes Rupees 68,980 only. The renters are known to make large fortunes, the leading Native merchants combining, it is believed, to keep down the biddings, on the condition of all sharing in the profits. The total value of the liquor consumed, Mr. Minchin estimates (in my opinion very moderately) at Rupees 3,41,100, at which figure the share at present accruing to the State is about 20 per cent. of the whole.

3. The spirits sold are of two kinds, "Pongoo," which is 30 under-proof, and "Cutcha" from 60 to 80 ditto. It is estimated that 10,800 gallons of the former, and 308,700 gallons of the latter, are annually consumed; and Mr. Minchin is prepared to pay Government Rupees 1-8-0 on every gallon 30 under-proof, and 12 Annas on every gallon of the 60 under-proof, that may leave the gate of his Distillery, *minus* 5 per cent. drawback for leakage and ullage. For proof Rum he would, in the same way, pay Rupees 2 per gallon, unless it was exported, when the present duty of Rupees 3 per gallon would be maintained.

4. He is further willing to pay for any establishment the Collector may think necessary to maintain at the Distillery for checking the quantities of Rum leaving the gates. Unless this establishment is to be on a somewhat expensive scale, including gaugers, we must take the *strength* of the liquor as told us by Mr. Minchin, which, for my part, I should be quite willing and ready to do.

5. The arrangement is to operate for three years from 1st July next, it being optional with Mr. Minchin to give it up at *the end of the first year* by giving notice by 31st March 1870.

6. The samples of liquors (both present and proposed) forwarded by Mr. Minchin, I shall transmit to you by Steamer. I understand that Mr. Minchin has already obtained for his scheme the Board's approval, conditional on no objections being raised by the local authority. I beg on this point to say that I think very highly of the proposal in every way. Mr. Minchin's name is a sufficient guarantee of its being carried out on a thoroughly efficient and respectable system.

Enclosure No. 1.

From the Manager of the Aska Sugar Company, Limited, to the Collector and Agent to the Governor of Fort St. George, in Ganjam, dated Aska, 26th December 1868.

1. With reference to the conversation I have had with you relative to the introduction into your Collectorate of a modification of the Sudder Distillery system adopted with so much success in several Districts of Northern India and in Mysore in the South, I beg now to offer to supply the whole requirements in spirituous liquors of the Ganjam District from my Distillery at Aska.

2. A glance at the accompanying sketch map of Ganjam will show how centrically my Di tillery is situated, at least for the principal division; and as the roads throughout Purla Kimed are in such good order, I anticipate no difficulty in arranging for the supply of the spirit require in the Sub-division also.

3. By the present or farming system I find that the average Revenue yielded by the Abkarr for the last eight years, has been—

	Rs.
From the principal Division	52,873
And the Sub-division	30,279
	83,152;

while, for the present year, the Revenue is only Rupees 68,980. It is said the renters sub-rent th Abkarry for double that sum.

4. I have prepared a Statement (enclosed) showing what is said to be the present consump tion of the liquors in general use in each Talook of the district. I cannot in any wa, guarante the accurateness of these figures, as there is no possible means of ascertaining the actual consump tion; but they have been supplied me by men who have long been engaged in the Abkarry, and think a very slight examination of them will show that if they are in error, they err in under-ratin the consumption: for instance, the consumption of Mohery Talook, including Berhampore, is se down at 17 gallons liquor of the stronger, and 50 gallons of weaker strength, or in all only abou 400 bottles per diem.

5. By this Statement it would appear that the consumption of the principal division pe. mensem is not less than 12 hogsheads = 600 gallons of the stronger, and 343 hogsheads = 17,15(gallons of the weaker, which in the year would give 7,200 gallons of the former, and 205,80(gallons of the latter, exclusive of the Maliahs in which there is, I am informed, a very large sale I have not been able as yet to obtain similar information regarding the consumption in the Sub division, but taking the Revenue as a guide, the consumption would appear to be not less than one half of that of the principal division.

6. The following would appear to be the total consumption of the district :—

		Gallons.		Gallons.
Principal Division	Pongoo...	7,200	Cutcha.	205,800
Sub-division	Half do. ...	3,600	,,	102,900
		10,800		308,700

This liquor is sold at the rate of eight Annas per bottle = 3 Rupees per gallon for the Pongoo, and four Annas per bottle = Rupees 1-8-0 per gallon for the Cutcha. A considerable quantity of the latter is sold, I am informed, at two Annas per bottle, but it is proportionably reduced, I think, in strength. Taking the average price realized of the Cutcha at Rupee 1 per gallon, the total value would be—

10,800 Gallons,	at 3 Rupees	=	32,400 Rupees.
3,08,700 ,,	at 1 ,,	=	3,08,700 ,,
3,09,500			3,41,100

Of this sum it would appear the Government obtains a Revenue of about 20 per cent.

7. The Sudder Distillery system involves considerable outlay on the part of Government. By a paper before me I see that, for the five districts of the Patna Division in Bengal, it was calculated that 25,000 Rupees would at least be required for Government buildings alone.

8. I beg to propose a plan which, while costing Government *nil*, will probably, in a single year, double the Revenue.

9. I mentioned that there are two strengths of liquor consumed in this district: one called "Pongoo," which is about 30 under-proof, and the other "Cutcha" from 60 to 80 under-proof.

The proportions consumed are probably 10,800 gallons, 30 under-proof, 308,700 gallons of various strengths assuming this quantity equal to 200,000 gallons, 60 under-proof.

10. I am prepared to pay Government Rupees 1-8-0 on every gallon, 30 under-proof, and 12 Annas on every gallon of the 60 under-proof, sold by me.

11. Taking the above figures as representing the quantities I shall probably sell, the Revenue would be—

10,800 Gallons,	at Rupees 1-8-0 per gallon	= Rupees	16,200
200,000 ,,	at 12 Annas ,,	= ,,	1,50,000
		Rupees	1,66,200,

or double the average Revenue of the last eight years.

12. I propose then that all the Stills in the Ganjam District be closed on 30th June 1869.

13. That from and after the 1st July I be allowed, under Section IV. of the Abkarry Act, to manufacture and sell all the liquor required for the Ganjam District. I should, of course, require permission to send out Rum to my various Depôts (number and locality of which to be settled hereafter) in all June, but no sale shall be made before the 1st July.

14. For every gallon Rum sold in the district, I will bind myself in any way you may require to pay the following duties within one month after these liquors leave my gates, minus 5 per cent. to be allowed me for leakage and ullage; that is, for all issued in July I will pay for on 31st August :—

For every gallon proof Rum sold in the district, Rupees 2; if exported from the district, Rupees 3 as now.

For every gallon 30 under-proof, Rupees 1-8-0.

For every gallon 60 under-proof, Rupee 0-12-0.

15. In the event of my requiring to issue a liquor of a lower strength, I will pay for the same in the same proportion.

16. Any establishment you may deem necessary for the checking of the quantities of Rum leaving my gates shall be provided by you but paid for by me. Such establishment I would suggest need not exceed Rupees 30 per mensem.

17. This arrangement to be in force for three years, from 1st July 1869, but to be optional with me to give it up at the end of the first year by giving notice not later than 31st March 1870. I ask for three years to cover the first outlay which will on my part be considerable for the due and efficient carrying out of such extensive operations.

18. I send herewith samples of the liquors now being sold, and of those I shall supply at the same price, begging they may be opened and compared.

19. Trusting I may be favored with as early a reply as convenient, to enable me to make the extensive arrangements for Depôts and Shops that will be necessary.

PRINCIPAL DIVISION.

Pongoo and Cutcha required for one month's consumption.

N. B.—One Hhd.=50 Gallons.

	Talooks.	*Pongoo.*	*Cutcha.*
1.	Mohery	10 Hhds.	30 Hhds.
2.	Munsoorcottah	...	15 do.
3.	Poobacondah	...	10 do.
4.	Ganjam	1 Hhd.	20 do.
5.	Soonnapore	...	15 do.
6.	Itchapore	...	40 do.
7.	Barwa	...	10 do.
8.	Sompetta and Mundasa	...	10 do.
9.	Cheekaty...	...	20 do.
10.	Soorungie	...	4 do.
11.	Jaradah	...	4 do.
12.	Jalantra	...	15 do.
13.	Small Kimedy	...	10 do.
14.	Large do.	...	20 do.
15.	Aska	½ Hhd.	15 do.
16.	Daracote	....	10 do.
17.	Sarcghur	...	4 do.
18.	Bodagada	...	6 do.
19.	Sooroodah	...	15 do.
20.	Goomsoor	½ Hhd.	40 do.
21.	Hutghur	...	20 do.
22.	Kellycote	...	10 do.
		12 Hhds.	343 Hhds.

ABKARRY OF GANJAM.

Fusly.	Principal Division.	Sub-Division.	Total.
	RS.	RS.	RS.
1271	54,492	37,408	91,900
1272	54,492	37,408	91,900
1273	58,667	32,856	91,523
1274	66,700	34,410	1,01,110
1275	65,500	25,050	90,550
1276	40,980	23,650	64,630
1277	40,980	23,650	64,630
1278	41,180	27,800	68,980
Years ..8	4,22,991	2,42,232	6,65,223
On an average for one year	52,873	30,279	83,152

E. E.

(Signed) F. J. V. MINCHIN.

ENCLOSURE No. 2.—Sketch.

THE Collector of Ganjam submits a proposal from Mr. Minchin, the Manager of the Aska Sugar Factory, offering to undertake the exclusive manufacture and sale of spirit in the district, from the 1st July 1869, and to pay an excise of Rupees 2 a gallon on proof spirit, Rupees 1-8-0 on spirit 30 under-proof, and Annas 12 on spirit 60 under-proof, for all spirit leaving his Distillery, *minus* 5 per cent. for wastage. Mr. Minchin engages to reimburse Government for the expense of any excise establishment which it may be found necessary to keep at the Distillery, but he stipulates that the arrangement shall be in force for three years unless he announces his intention of withdrawing from it on or before the 31st March 1870, in which case it shall determine at the end of the first year.

2. Mr. Carmichael thinks very highly of this proposal in every way, and says that Mr. Minchin's name is a sufficient guarantee for its being carried out on a thoroughly efficient and respectable system. With regard to this point, the Board remark that Mr. Minchin held an Abkarry lease in 1863-64, and that the testimony of the officers of the district, Revenue and Police, was unanimous as to the excellence of his arrangements.

3. From carefully collected information it appears that the annual consumption of the district, exclusive of the Khond high lands, may be estimated at about 10,300 gallons of Pongoo, a spirit 30 under-proof, and 308,700 gallons of Cutcha, a spirit 60 under-proof, and that the proceeds of the sale must amount to Rs. 3,41,100.

4. The Revenue which has been derived from the Abkarry farm for the last eight years has averaged Rupees 83,152. Comparing the first five years of this series with the last three, the revenue has decreased by 29·3 per cent. The present rent is Rupees 66,080, or about 20 per cent. on the sale proceeds, and the Collector states that the Renters are known to make large fortunes, and that there is reason to believe that the leading merchants combine to keep down the biddings on condition that all share in the profit.

5. The Board learn that the Aska Distillery is of the most approved description, that it is equal to all demands which may be made upon it, and that the Sanitary Commissioner has expressed a most favorable opinion of it in the letter recorded with Government Order, 13th June 1869, No. 150, Military Department.

6. If Mr. Minchin's proposal is accepted, the revenue, calculated on the consumption above estimated, will amount to Rupees 1,66,200 per annum, being a lac of Rupees above the present rent, and 48·7 per cent. instead of 20 per cent. on the sale proceeds; the combination amongst the merchants which has lowered the revenue will be broken up, a supply of wholesome and unadulterated spirit will be secured, and the management will be placed in the hands of a gentleman, who has already shewn on a smaller scale that he can conduct the operation, so as to effect a suppression of disorder, and cause an improved condition of the people.

7. The Board are of opinion, however, that in order to protect the interests of Government, a stipulation should be introduced in the Agreement to the effect that if it be found by the 31st March 1870 that the revenue yielded under the new arrangement is less than that realized under the present lease, they may be free to give Mr. Minchin notice that his license will be cancelled on the 1st July 1870.

8. With this modification the Board resolve to recommend Government to accept Mr. Minchin's proposal.

9. If it is approved, care will be taken that all the restrictions now in force, with regard to the number of shops, &c., are preserved. The engagement will be drawn up very much in the form now executed by Abkarry Renters, the first condition being of course altered. With regard to the necessity of gauging liquor as it leaves the Still, the Board are content to let the Collector exercise an unfettered discretion.

No. 231. ORDER THEREON, 9th March 1869, No. 627.

Separate Revenue, No. 13.
Abkarry.

1. The Right Honorable the Governor in Council sanctions the proposals made by the Collector of Ganjam in regard to the Abkarry of that District, on the terms and conditions recommended by the Board of Revenue.

2. The Board will exercise their discretion in regard to renting the Abkarry Farm of other Districts for *three* instead of for *five* years. Should it be found expedient to extend the excise system, prolonged leases might prove an inconvenience.

(Signed) R. A. DALYELL,
Acting Secretary to Government.

Govt. of India Madras.

REVENUE.

To

THE BOARD OF REVENUE

Dated March, 5th.

Read.

G. O., 9th March 1869, No. 627.

MARCH.

Nos. 230-231.

Cayoor Abkarry.—Proposals made by the Collector in regard to the manufacture and sale of country-made spirits, sanctioned. Board of Revenue to exercise discretion in regard to renewal of Abkarry Farms for three instead of for five years.

carefully with the Indian
Butterly system, by the aid
of information supplied
to him by the Supt of the
Division, and prepared
a note on the subject, but
time has been unfortunately
mislaid, and cannot
be found. Should a Memorandum
under this head be made
for it. So soon as he can
recollect it, however, the
Undersigned will wait to show
that the adoption of an
Excise system instead
of a rent would be a gain
to the Govt revenue, in
Bengal, Central Provinces
and Oude. That the
Liquor consumed is
healthy, and that the
inducement to smuggle
would not [illegible]. That
under the existing system

Mr Hinchcliffe suggests
and strongly supported by
Mr Carmichael and also
by the Board of Revenue
and if accepted will
give the Govt a means
of judging of the expediency
or otherwise of finally
adopting the Excise system
instead of the renting system.
The Bd might suggest
that the farms of other
districts for three years
only - all the contracts
expire on 30th of June
next.

WDS.

Mr Hinchcliffe proposals?
If the Excise system is
once introduced, it
could not be better managed
than with Mr Hinchcliffe
at
Should doubt the Govt
observe that duration
in renting the farms of
other districts for three,
instead of for what about
the annual period of four
years.
8.3.69

Govt
Yrs. V. Sup A.

Nº 627.

9th March/69.

List from order

The Rt Honble the
Govr in Council sanction
the proposals made by
the Coll.s of Sanquar
in regard to the Abkaree
of that District, on
the terms and conditions
recommended by the
Board of Revenue.

The Board will
exercise their discretion
in regard to renting
the Town Abkaree Jama
of other Districts for three
instead of for five years.
Should it be found expedient
to extend the excise system

Minute

Manufacture &
Sale of Tobacco
made upon Duty

Pending Answer

838

prolonged beyond night

from one inconvenience

Map