

Proceedings of the Madras Government, Revenue Department,
12th April 1871.

Read the following:—

No. 110. Proceedings of the Board Revenue, dated 8th March 1870,
No. 1,617.

Read the following Proceedings of the Madras Government, dated 18th February
1870, No. 237, Revenue Department.

ABSTRACT.—*Opium*.—Board of Revenue to report particulars in connection
with its smuggling.

Read again Government Order, dated 19th November 1869, No. 2,992, Revenue
Department, recorded in Board's Proceedings, dated 29th November
1869, No. 8,784.

Read again Board's Proceedings, dated 5th March 1870.

Read also the following letters:—

From the Collector of Ganjam, dated 17th February 1870, No. 147.

Do. the do. of Vizagapatam, dated 20th December 1869, No. 759.

Do. the Officiating Collector of the Kistna District, dated 22nd November
1869, No. 349, recorded in Board's Proceedings, dated 10th
December 1869, No. 9,064.

Do. the Officiating Collector of the Kistna District, dated 14th February
1870, recorded in Board's Proceedings, dated 26th February
1870, No. 1,373.

Do. the Acting Collector of the Madras District, dated 20th January 1870,
No. 13.

Do. the Collector of South Arcot, dated 3rd February 1870, No. 32.

Do. the do. of Tanjore, dated 31st January 1870, No. 39.

Do. the Officiating Collector of Madura, dated 15th February 1870, No. 44.

Do. the do. do. of Malabar, dated 24th January 1870, No. 35.

In these letters the Collectors reply to a Circular, calling for information as
to the smuggling of Opium in their districts.

2. The Collectors of the districts noted in the margin report that there
is no reason to believe that any smug-
gling of Opium takes place from their
districts.

Ganjam.	Madras.
Vizagapatam.	Kistna.
	Madura.

3. The Collectors of Vizagapatam and Kistna, however, report that Opium
is largely imported for home consumption from Hyderabad.

4. The Collector of South Arcot admits that possibly some Opium is smuggled
into Pondicherry, but states that the most vigilant watch has failed in detection.

5. The Collectors of Tanjore and Tinnevely report that a considerable
amount of Opium is smuggled to Ceylon in small parcels by the Native craft that
are continually crossing.

6. The Collector of Malabar states that a trade in Opium has lately been
discovered, the drug being brought from Madras to Shoranore by rail and thence
passed across the bridge into Native Ceylon. It is not known whether this Opium

is for consumption within the Native State, or whether it is afterwards exported from British Cochin by sea.

7. Mr. Webster goes into details in regard to measures of prevention, but the Board understand that there is an appeal now before the High Court, raising the question of the legality of a recent seizure, and the subject will, therefore, be better discussed after this case has been decided.

8. He reports likewise the detection of an attempt to run a large quantity of Opium from the beach at Calicut.

9. During the last two years some heavy seizures of Opium have been made at Madras, Negapatam, and Calicut, and it has been discovered that the most ingenious devices are resorted to for concealing the drug. The Opium is obtained from Mysore or Hyderabad and soldered up in tins in Madras, and is thence forwarded to the intended port of export.

10. Large rewards have been paid to informers, and heavy penalties inflicted, and it is believed that this contraband trade has been checked, and that though a few Chinamen, resident in Madras or employed on the coasting steamers, make a considerable profit by it, the loss to the revenue is trifling.

11. No Customs line is maintained between the Northern Circars and Hyderabad, nor between British territory and the Native States of Travancore and Cochin; consequently Opium so imported is not contraband.

12. From recent disclosures it appears that considerable quantities of Opium are transmitted by Post, and several parcels have lately been detained. The subject is now under consideration of the Law Officers, and it may be remarked that it seems doubtful whether the law admits of any other course than the delivery of the parcel to the addressee.

13. With regard to the smuggling in Tanjore and Tinnevely the drug is taken to supply the local demand, and it is hopeless to attempt to search every bundle and basket that the coolies take over.

14. It may be a subject for consideration whether Opium should be included in the Abkarry, its sale and manufacture without license prohibited, and a duty on its export by sea fixed.

15. The Board believe that a measure of this description would yield a certain revenue, and tend to check smuggling; but they question whether the stake involved would compensate for the disadvantage of adding to the penal statutes and providing a ready means of false accusation.

No. 111. Proceedings of the Board of Revenue, dated 15th March 1870, No. 1,777.

Read the following letter from the Officiating Collector of the Kistna District, to the Acting Secretary to the Board of Revenue, dated Nizampatam, 2nd March 1870, No. 913.

In continuation of my letter, dated 22nd November last, No. 349, and with reference to the Board's Proceedings, dated 10th December 1869, No. 9,064, I have the honour to detail the information I have been able to procure with reference to the Opium imported into British territory through Juggiahpett, on the frontiers of the Nizam's territory.

2. Of the banghy packets of Opium that were seized, passing through the Post and delivered up by the Postmaster to the addressees, seventeen came from Ajmere and four from Kotah. The addressee produced his letters of advice, apprising him of the despatch of the Opium with instructions as to its sale, etc.

3. The Marvadi merchants residing at Juggiahpett state that when they bring Opium from Indore and Kotah they obtain licenses from the British authorities at Amravati, that this license accompanies the Opium as far as Khandigam in the Nizam's territory, where it is delivered to the Nizam's Sayer authorities, who give instead a Passport which protects the Opium as far as Kodada, where it is handed over to the Nizam's Sayer officials, and from Kodada the Opium is brought to Juggiahpett unprotected by any Pass or license. These merchants state also that Malwa Opium and Opium from Hingoli in the Nizam's territories is brought to Humanabad, also in the Hyderabad country. If this Opium is to be imported into British territory by Juggiahpett, duty is paid on it and a Passport obtained at Humanabad which covers the Opium as far as Kodada, the Nizam's Sayer station, where the Passport is given up, and the Opium is from thence brought to Juggiahpett without any Pass.

4. At Juggiahpett, since the abolition of the frontier duties, no steps have ever been taken to detect smuggling into British territory, and no demand is ever made for any passes or licenses to cover the Opium imported. It would appear that much of the Opium imported by this route comes from Hingoli, and the merchants admit that it never is protected by any passes. This Opium is sent from Juggiahpett to Vizagapatam, Godavery, Madras, and other places.

In this letter the Collector of Kistra reports on the inquiries he has made with reference to the Opium imported into his district by Juggiahpett.

2. The merchants state that Opium purchased by them in British territory is covered by passes which they deliver up on entering the Hyderabad territory. The Board have no means of testing the truth of these statements, but if things are as represented, it is evident that no law is infringed, and that unless the Opium passes out by sea, no injury is inflicted on the Opium revenue.

3. The Collector further reports that much Opium is imported from Hingoli in the Hyderabad territory; but as will be seen from the Board's Proceedings of this date, the law affords no power to interfere with such import.

4. This letter will therefore be forwarded for the consideration of Government, in continuation of the Board's Proceedings of the 8th March 1870, No. 1,617.

No. 112. Proceedings of the Board of Revenue, dated 29th April 1870, No. 2,849.

Read the following letter from the Officiating Collector of the Kistna District, to the Acting Secretary to the Board of Revenue, dated Masulipatam, 31st March 1870, No. 1,304.

With reference to the concluding part of paragraph 8 of the Board's Proceedings, No. 1,588, dated 5th March 1870, I have the honour to report, that on examining the Trade Returns of several years it does not appear that any Opium has ever been exported by sea in this district.

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2. I am informed that a great quantity of the Opium imported into the town of Juggiahpett from Oomravaty, Induri, Mominabad, Hingole, etc., is exported by land to other parts of this and Goaverry Districts, through the Agents of the Merchants at Jaggiahpett, as well as to Madras.

SUBMITTED to Government, in continuation of Board's Proceedings, dated 5th March 1870, No. 1,588.

2. The Collector reports that ~~no Opium~~ is exported seaward, but large quantities find their way into local consumption through Juggiahpett.

No. 113. From the Under-Secretary to the Government of India, Financial Department, (Separate Revenue—Abkarry), to the Secretary to the Government of Fort Saint George, dated Simla, 16th July 1870, No. 1,931.

I AM directed to acknowledge the receipt of your letter, No. 859, dated 11th June 1870, forwarding a copy of the Proceedings of the Government of Fort Saint George, relating to the transmission of Opium through the Post Office and its export by land.

2. By Financial Notification, No. 3,526, dated 17th September 1869, transmission of Opium by Post, except on account of Government, was prohibited. It was further declared that persons transgressing this rule will be liable to the penalties provided by the Excise Law.

3. But it appears from the correspondence now submitted that there is no Excise Law in Madras which renders the possession of Opium by any person in that Presidency under any circumstance illicit.

4. The Governor-General in Council observes that Opium is as fair an item of abkarry taxation in Madras as in Bengal, and it ought to be included amongst the intoxicating drugs sold by license.

5. I am accordingly to suggest that the Excise Law of Madras might with advantage be assimilated to that of the rest of India in respect of Opium. If this were done, Opium sent by Post would be liable to confiscation.

6. I am to inquire whether the Poppy is grown in Mysore, or whether all the Opium referred to in the correspondence came from Central India.

7. The question as regards the export of Opium by land has been disposed of by Financial Notification, No. 1,133, dated 9th June 1870.

ORDER.—Ordered that a copy of the above letter, with copy of the communication from the Government of Madras, and its enclosures, be forwarded, for information, to the Director-General of the Post Offices in India, with the request that the officers of the Postal Department may be warned to be on the look out for despatches to Madras pending local legislation.

No. 114. Proceedings of the Board of Revenue, dated 24th October 1870, No. 6281.

Read the following letter from the Collector of Malabar, to the Acting Secretary to the Board of Revenue, dated Calicut, 10th October 1870, No. 350.

I HAVE the honour to forward copy of a decision of the Session Judge in a case of Opium smuggling.

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2. The circumstances of the seizure were similar to those in the Shoranore case, the failure in the prosecution in which led to the issue of two Proclamations by the Governor-General, dated 19th May 1870, No. 609, and 9th June 1870, No. 1,133, respectively. The first prohibited, under Section 23, the export of Opium without a Pass, and the second superseded this and prohibited, under Section 23, or under any other provision of law enabling the Governor-General.

3. In the discussions regarding the Shoranore case, the Government Pleader suggested that the wording of Section 23 was so large that it might possibly embrace the case of export and import by land, and the confiscation was made under this Section.

4. The first ground taken by the Session Judge is that there was no attempt.

5. The Opium was forwarded by rail from Madras to Tiroor for transport, thence by boat to Native Cochin, the defendant admitting the destination.

6. The next is that the Deputy-Magistrate had no authority.

7. By Section 218 the officer in charge of a Custom-house may adjudicate on any goods liable to confiscation under the Act, or on any penalty incurred, and by Section 222 the summary jurisdiction of a Magistrate is restricted to cases other than those cognizable under Section 218.

8. This opens quite a new feature in the Act, for in the case of smuggling Opium in Calicut, *vide* Board's Proceedings, dated 8th March 1870, No. 1,611, the sentence was passed magisterially and upheld on appeal, and other similar cases may be quoted as one at Negapatam decided by the Joint Magistrate.

9. These are the two main points in the case, but the Judge further holds that the Police not being Preventive Officers, have no power to seize, and that Collectors not being in charge of a Custom-house or specially authorized by Government, cannot adjudicate.

10. As there are no Custom-houses on the frontier between Cochin and this district, there is thus no authority to adjudicate.

11. Finally, he argues on grounds which cannot easily be controverted, that Act VI., 1863, is purely a Sea Custom Act.

12. To the arguments he adduces may, I think, be added the evidence afforded by Act XI., 1869, that the legislature did not consider Act VI. of 1863 as applicable to Land Customs.

13. The amount of Opium involved in the present case is valued at Rs. 4,700, and I learn from the Head Assistant that there are some half dozen merchants in Palghaut regularly exporting Opium to Native Cochin.

ENCLOSURE No. 1.

(Copy)

Proceedings of the Session Court of Calicut, dated the 30th September 1870.

Read petitions of Appeal Nos. 67 and 72 of 1870, presented by Mr. A. G. Gover, Barrister-at-Law, on behalf of Varojee Kissenjee Shett, defendant in Calendar Case No. 146 of 1870, on the file of the Deputy-Magistrate of the Southern Division of Malabar, appealing against the conviction and sentence in the said case.

Read also the records in the above case.

2. The circumstances which led to the present case are as follow:—A quantity of Opium of the value of Rs. 4,700 was sent up by train from Madras to Tiroor on the 28th or the 29th July

last by the defendant, who himself followed, on the 1st August. On arriving at the Tiroor railway station the defendant found the Opium under the charge of the Police Inspector; he at once claimed it, and when asked said he was going to take it on to Cochin by boat as soon as he had paid the railway charges, adding that he had received a Pass to take it through the Cochin State; but was ignorant that any Pass was required to export it from the British territory. He was therefore taken the next day before the Deputy-Magistrate, with the Opium, and the sentence passed was that the defendant had committed an offence punishable under Section 24, Act VI. of 1863, and was fined Rs. 80, and the Opium and ~~goods~~ ^{which} was packed with it was confiscated to Government.

3. Against that decision the defendant appeals, and the main grounds of his appeal, as urged by his counsel, are—

1stly.—That the Act under which he was convicted is inapplicable, being an Act to consolidate Sea Customs only.

2ndly.—That the seizure and charge were illegal; and

3rdly.—That the Deputy-Magistrate had no jurisdiction.

These were the main grounds on which the legality of the sentence was challenged, and the remaining grounds of appeal related to the severity of the sentence and reasons for mitigating the same, supposing the legality of it was upheld: into these questions it will be unnecessary for me to enter, since, on the grounds specified in the former heads of objection, I am of opinion that the decision of the Deputy-Magistrate cannot be upheld.

4. The conviction is under Section 24, Act VI., 1863, and waiving for the present the question of whether that Act is applicable to Land Customs, it is necessary first to consider whether the seizure was a legal one.

The first witness is the Police Inspector, and in his deposition he says that he seized the Opium at the Tiroor railway station, and that on the defendant arriving there two days afterwards, he told the witness that he had brought the Opium from Madras, and was going to take it to Cochin. The witness then says, "Seeing that no Opium could be transported to a foreign State without a Permit, I seized and produced it before the Court." The seizure was thus made at a place in the British territory, at a distance of upwards of 20 miles from the nearest boundary of a foreign territory, the sole evidence that it was intended for export out of British territory being the acknowledgment of the defendant himself. Now the only ~~ways~~ ^{ways} which can bring this Opium goods; and in this case, though the defendant may have made preparation to import or export any such it cannot be said that having it at a railway station, 20 miles within the British territory, and perhaps having a boat ready to receive it (though this is not shown) can constitute an attempt to export. There is nothing on the record to show that the actions of the defendant had passed beyond intention and preparation, into attempt, export, and it is only either exporting or attempting to export, which renders goods liable to confiscation under Section 24.

5. I am therefore of opinion that the Opium was not then and there liable to confiscation. But even if it were so liable, was the Police Inspector *proprio motu* legally competent to confiscate? Section 199 of the Act says: "Any goods liable to confiscation may be seized and detained * * * by any officer of Customs or other person duly employed for the prevention of smuggling."

The Police are certainly neither officers of Customs nor employed for the prevention of smuggling, and the only powers given them under this Act are when they have seized goods under the suspicion that they had been stolen, and with which, when liable to confiscation, they are to deal in accordance with the provisions of Section 203, and also when they are executing a Warrant issued by a Magistrate under Section 203. It is, therefore, clear that the detention by the Police Constable was an illegal act.

6. The next point for consideration is whether the Deputy-Magistrate had jurisdiction. Section 24, under which the present sentence is inflicted, says that if any attempt be made to export any goods, the exportation of which is prohibited, "such goods, together with any goods

which shall be found packed with, or used in concealing them, shall be liable to confiscation, and any person concerned in any such offence shall be liable to a penalty not exceeding three times the value of the goods, or not exceeding one thousand Rupees."

Section 218 provides that, "In every case in which under this Act any goods are liable to confiscation, or any person is liable to a penalty, an officer in charge of a Customs-house may, unless it be otherwise provided in this or any other Act relating to the Customs, adjudge such confiscation or penalty," and this power given to an officer in charge of a Customs-house is by Section 219 extended to any officer of Customs specially empowered by the Local Government. In this case there is nothing to lead the Court to believe that the Deputy-Collector and Magistrate, even supposing him to be an officer of Customs, as contemplated by this Act, has been specially empowered by the Government under this Section or the 7th Section of the Act.

Further, supposing him to have been so empowered, the same Section provides that the power to adjudge confiscation shall not extend as regards a Deputy-Collector to goods of a greater value than one thousand Rupees, and the power to adjudge a penalty shall not extend to a sum exceeding fifty Rupees.

In the present case, the value of the goods confiscated appears to be Rs. 4,700, and the amount of the fine is Rs. 80. Therefore, there can be no doubt that the sentence is void from want of jurisdiction on the part of the Deputy-Magistrate.

7. The findings on the above objections render it unnecessary as far as the decision is concerned that this Court should go into the last and broader question of whether the provisions of this Act are applicable to Land Customs; as, however, the objection is one of great importance, and that most relied upon by the Counsel for the defendant, it should not be passed by without an opinion being recorded upon it. It is stated on behalf of the prosecution that the exportation of Opium by land is restricted by virtue of the following Notification which was published in the Fort Saint George Gazette of the 28th June 1870:—"In exercise of the powers conferred on me by the Consolidated Customs Act, Section 23, and of every other power enabling him in this behalf, the Governor-General of India in Council is pleased to prohibit the exportation of Opium, not covered by a Pass by sea, from any port or place in the Presidency of Fort Saint George, or by land from that Presidency to any foreign or Native State." There can be no doubt, therefore, that by virtue of that Proclamation the exportation of Opium is restricted; how far restricted it is not necessary for this Court here to decide, for it is only within the narrow limits of this judgment that the opinion here expressed will have weight. The broad question, however, remains whether the word "export" as used in Section 24, under which this sentence is passed, can apply to exportation by land.

In the definitions given in the beginning of the Act, there is no definition given of the words 'export' and 'exportation,' and we are, therefore, left to gather that meaning from the whole tenor of the Act, and from the intentions of the Legislature as far as they can be ascertained. On the side of the wider interpretation, the Government Vakil pointed to the general terms of the title given in the 1st Section. "This Act shall be called the Consolidated Customs Act," and to the absence of any restricting words after the words 'export' and 'exportation,' which in themselves are equally applicable to carrying out of the country either by sea or land. In spite of this argument, however, I am of opinion that the Act is solely directed to Sea Customs and the exportation and importation by sea, and that without violent straining of the plain meaning of the whole Act, it is inapplicable to export by land. The preamble of the Act from which we derive a knowledge of the intention of its framers, states that it is, "an Act to consolidate and amend the Laws relating to the administration of the Department of Sea Customs in India." Whereas it is expedient that the laws relating to the administration of the Department of Sea Customs in India should be consolidated and amended, it is enacted, etc., and the laws which are repealed by Section 2 relate almost entirely to Sea Customs. Act VI. of 1844 was an Act relating both to Inland and Sea Customs, and the Sections which are repealed are Sections 17 to 41 and Sections 46 to 68, which relate entirely to Sea Customs; those relating to the Land Customs being left intact. The Customs officers have, therefore, the whole machinery for collecting and

regulating their transit duties in enactments independent of this Act; whereas the whole of the previous Acts relating to the Sea Customs were by this Act swept away, and this was substituted in their room. To regulate, therefore, Land Customs by the provisions of this Act would seem to be contrary to the intention of the Legislature.

8. Further, although the words 'export' and 'exportation' are not defined in the Act, a chapter comprising Sections 116—136 is headed 'Exportation'; every provision of that chapter relates to exporting by sea exclusively, and there is nothing which can anywhere be applicable to land transit.

9. I am aware that in so holding, I am opposed to an opinion expressed by a former Judge of this Court in the case of Solomon Gindill, Criminal Appeal No. 73 of 1869; but the reasons which I have detailed appear to forbid the word 'export' in the present Act, which is passed to amend the laws relating to the administration of the Department of Sea Customs, to be interpreted as it must be in Act VI. of 1844, which is an Act dealing with Transit and Inland Customs, as well as with Sea Customs: although in the latter Act the words 'by land' or 'by sea' are usually used to render the meaning explicit.

10. It was further pointed out at the hearing of this appeal that the Legislature were of opinion that a reasonable doubt existed as to whether the powers granted under Section 23 were not limited, for, on the 16th August last, a motion was put and agreed to, to insert the words 'by sea' or 'by land' (*vide Fort Saint George Gazette*, page 166, Supplement of September 6th, 1870).

11. I am therefore of opinion—

1stly.—That the word 'export,' as used in Section 24, relates solely to export by sea.

2ndly.—That even supposing exportation by land to be referred to in the Act, the Opium was not liable to confiscation, no attempt having been made to export it.

3rdly.—That the seizure by the Police Inspector was illegal; and

4thly.—That the Deputy-Magistrate had no jurisdiction; and I accordingly reverse the sentence appealed against, and direct the restoration to the defendant of the Opium confiscated, and the fine levied.

SUBMITTED for the information of Government.

2. It is clearly necessary that a special enactment should be passed as quickly as possible to prevent the export of Opium by land.

3. If the Judge is right in holding that Police officers have no power to seize goods which are being smuggled, and that Magistrates have no authority to punish smugglers, the law with regard both to Sea and Land Customs must be supplemented.

4. It is observed that a Bill including provisions with regard to the export and import of Opium has just been introduced into the Legislative Council.

No. 115. Proceedings of the Board of Revenue, dated 12th November 1870, No. 3,616.

Read the following letter from the Collector of Sea Customs, to the Acting Secretary to the Board of Revenue, dated Madras, 18th October 1870, No. 982.

ADVERTING to the Proceedings marginally noted,* in which the Board

* No. 7,852 of 5th Nov. 1868, and No. 8,874 of 2nd December 1869.

† Collector of Sea Customs, to Board, 20th October 1868, No. 1,129, and 26th October 1869, No. 1,086.

‡ See paragraph 4 of Government Order, 11th June 1870, No. 858.

declined to support my recommendations† to introduce penal laws for regulating the transport, possession, and sale of Opium in this Presidency, and the fact that no final order‡ has, as far as I know, been passed by the Government of

Madras on the subject, I beg respectfully again to address the Board in the hope that they will, on reconsideration of my former letters, and the facts subsequently adduced, support my recommendations.

2. The Board in paragraph 10 of their Proceedings, No. 1,617, of 8th March 1870, state, "Large rewards have been paid to informers, and heavy penalties inflicted, and it is believed that this contraband trade has been checked; and though a few Chinamen, resident in Madras, or employed on the coasting steamers, make a considerable profit by it, the loss to the revenue is trifling." I beg respectfully to differ from the view taken by the Board on the point of the "loss of revenue being trifling," as I have strong grounds for believing it to be enormous.

3. I annex an abstract of the reported cases of Opium-smuggling since March 1868, when the matter first attracted my attention:—

(1). On the 4th March 1868, 62 lbs. of Opium were found concealed in the Carpenter's cabin of the Steamer *Maratta* bound to Rangoon. The Board's Proceedings, 6th April 1868, No. 2,580. The Opium was confiscated and the smugglers fined.

(2). On the 10th June 1868, 132½ lbs. of Opium were seized when about to be shipped from Thangul, four miles north of Madras. The Opium was confiscated and the smugglers fined. Board's Proceedings, 28th September 1868, No. 6,898.

(3). On the 9th July 1868, 288 lbs. of Opium were found concealed in chests with false sides; also in double-sided tin canisters, with biscuits in the centre packed in a cart en route to Pondicherry, whence the Opium was to be shipped to the Mauritius. The Opium was confiscated and the smugglers imprisoned for non-payment of fines. Board's Proceedings, 19th November 1868, No. 8,196.

(4). On the 3rd of December intended smuggling of Opium by the Steamer *Oriental* was prevented; 4,500 Rs. were found in the Chinese Carpenter's chest. Board's Procs., 20th Feb. 1869, No. 1,158a.

(5). On the 13th July 1869, 113 lbs. of Opium were found concealed in a barrel of coal tar sent from Madras by rail to Negapatam to be shipped thence to Rangoon. The Opium was confiscated and the smugglers fined. Board's Proceedings, 17th September 1869, No. 6,962.

(6). On the 23rd of October 1869, 243 lbs. of Opium were sent by rail from Madras to Shoranore to be smuggled into Cochin territory. The Opium was seized on the 27th October when just about to pass into the Cochin State; it was confiscated by the Magistrate and the smugglers fined. The sentence was confirmed on appeal to the Session Court, but reversed by the High Court, the seizure being illegal in the then state of the law. Board's Proceedings, 11th November 1869, No. 8,362.

(7). On the 7th January 1870, 278 lbs. of Opium were seized by the Collector of Malabar. The Opium was confiscated and the smugglers fined, but part of the fine was subsequently remitted on appeal by the Session Court. Board's Proceedings, 8th March 1870, No. 1,611.

(8.) Three hundred pounds of Opium were sent by rail on the 12th August 1870 from Madras to Shoranore, and after being watched for three weeks by Customs officers was successfully smuggled across the river and escaped seizure, as it was only stopped by the Customs officers when a few yards across the frontier.

4. Several steamers and country square-rigged ships for Rangoon and Penang on which Opium had been actually shipped here have been searched by Customs officers, but to no purpose, as it is most difficult to discover Opium when once on board. In some cases the petty officers of these steamers and ships have undoubtedly assisted the smugglers.

5. I am certain that Opium is frequently shipped in steamers at out-ports, where such a careful watch against smugglers cannot be kept. On this point the Collector of Customs, Rangoon, wrote to me, "It would appear that the principal smugglers are two Chinese, who will be found frequent passengers between Madras and this place by the monthly Mail steamers, and also that when troops or Military followers are on board advantage is by some means found to smuggle Opium through their baggage."

6. On very many occasions I have been informed that Native vessels clearing from this port for Ceylon drop anchor at fishing villages, a few miles down the coast, and take Opium on board, and Customs officers have several times been sent to watch but without success, as no attempts were ever made to ship Opium while strangers were seen about. I have lately given up sending Customs officers to watch as the facilities for shipping are so great, and under the present law Opium cannot be seized unless there is an actual attempt to ship, and the smugglers are caught with the Opium on the beach itself.

7. To satisfy myself, however, that dhonies from this place had smuggled Opium, I requested the Collector of Customs at Point Pedro to send me copies of Import Manifests put in at that port. From these documents I find that dhony No. 273 landed 13 purses and 1 bundle of Opium; dhony No. 385 landed 7 purses of Opium; dhony No. 361 landed 27 purses of Opium; dhony *Hydroos Samadas* landed 37 purses of Opium; dhony No. 460 landed 47 purses of Opium. The two dhonies called at Pondicherry on their way to Ceylon, and shipped the Opium there; this is proved by the Import Manifests put in at Point Pedro by the Tinda of the dhonies.

8. On numerous occasions I have received information of preparations for smuggling Opium being made in the town of Madras, such as Opium being manufactured, tins being made, cases being removed from the house where the manufacture and packing was carried on to other houses, from which they could be again removed for export without so much chance of detection, etc., etc.

9. Once in twenty reported cases it may have been thought worthwhile attempt to catch the smugglers, in most of these cases the result has been failure and for fifty reported cases there has been about one seizure; as soon as one system of smuggling is discovered it is reorganized and another organized, and it is a well recognized fact that smugglers are always a head of the Customs and Excise laws and officers.

10. The Board are aware that Opium is now frequently transmitted by Post and in carts by land. Among others I would beg to refer to the statements of officers contained in Board's Proceedings, No. 4,299, of 22nd June 1870. A Letter from Officiating Collector of the Kistna District and Superintendent of Police, contained in Board's Proceedings, No. 4,299, of 22nd June 1870.

large quantity of Malwah Opium appears to be imported into Juggiahpett from Hyderabad, Indore, Omravaly, Ajmere, Kota, and other places, and thus finds its way into the Madras Presidency for exportation and sale.

11. On looking over the returns of exports of Opium from Calcutta, I find that within the last few months the drug is being exported to Ceylon and the Mauritius. It may be, therefore, concluded that in consequence of the attention which has of late been paid to the smuggling of Opium by the Madras Custom-house, a legitimate trade in Opium is springing up between Calcutta and these Colonies.

12. At page 28 of the *Indian Economist* of August 10th, 1869, the produce of Malwah Opium in 1867-68 is said to have been 57,000 chests, of which 18,000 were reserved for home consumption. In the same paper of September 10th, 1869, page 45, 25,000 chests are said to have been reserved for home consumption from the crop of 1868-69.

13. If these returns are correct the quantity of Opium said to be reserved for home consumption is so large that I cannot believe it is actually consumed within the limits of Malwah, but that by far the largest portion is smuggled across the frontier and sold in the southern portion of India. Even admitting that 18,000 chests were actually consumed in Malwah in 1867-68 that will not account for the increase to 25,000 chests in the following year. The duty on the difference of 7,000 chests, at 600 Rs. a chest, would amount to 42 lakhs of Rs., and if, as I fully believe, at least half of the remaining 18,000 were also smuggled across the frontier, the total loss of revenue will have amounted in 1868-69 to very nearly a million* pounds sterling. I

Chests. Duty.
* 18,000 x 600 = 96,00,000 Rs.

have written to the Commissioner of Customs, Bombay, for further information on this subject, and will forward his reply to the Board when received.

14. The smugglers' profits are enormous. A pound of Opium manufactured and fit for use costs from Rs. 3 to 4 according to quality, and sells in the Mauritius or Rangoon for 15 to 17 Rs. Even at sales of confiscated Opium traders readily pay Rs. 8 to 9 per pound.

15. I think I have shown that so long as the state of the law allows the transport, possession, and sale of Opium in British territory to an unlimited extent without any license, regulation, or supervision, all attempts by Customs officers to prevent smuggling will be useless. An occasional seizure will be made, and though large rewards may be paid to informers and heavy penalties inflicted, the contraband trade will not be even checked. I am more than ever convinced that the only remedy to put a stop to the enormous amount of smuggling now carried on is to prohibit by law the transport, manufacture, possession, or sale of Opium without a license under very heavy penalties.

*Proceedings of the Madras Government, Revenue Department,
12th April 1871.*

THE Board resolve to submit this letter for the consideration and orders of Government, with reference to the Proceedings of the 8th March 1870, No. 1,617, which still await disposal.

2. In those Proceedings the Board recorded facts which show that Malwah Opium which has not paid duty reaches the Presidency through the Nizam's territory, and that a large quantity of the drug is clandestinely exported from the coast to the manifest injury of the Government monopoly. They suggested a consideration of the question whether the sale and manufacture of Opium should be restricted by law, but doubted whether the result would compensate for the disadvantage of adding to the number of penal statutes.

3. Mr. Blair now returns to the subject, citing additional facts and urging more strongly than ever that the possession and sale of Opium should be placed under control.

4. He believes that the quantity of Malwah Opium exported, without paying duty, from the coast of this Presidency is very considerable. The gross annual production of the drug is estimated to be 57,000 chests. The number of chests which paid duty from 1864-65 to 1868-69 is given in the Bombay Administration Report for 1868-69 as follows:

1864-65	...	...	...	...	35,090
1865-66	...	...	...	...	36,200
1866-67	...	...	...	...	30,869
1867-68	...	...	...	...	39,216
1868-69	...	...	...	...	30,092

so that the average amount produced, which did not cross the frontier openly, was 22,711 chests. The amount in the year specially referred to by Mr. Blair was 26,908 chests. The decrease in the duty collected is stated by the Bombay Government to be "attributable to various causes. Large stocks were kept back by dealers in expectation of a rumoured reduction in the rate of pass fees. The exports to China were less owing to the market there being throughout the year unfavourable. Persian Opium, moreover, is alleged to have competed slightly, and native grown Opium more largely, with the Indian drug." Though these circumstances probably explain the *exceptionally* small import of Malwah Opium in 1868-69, they do not explain what is done with the enormous quantity far more than can be consumed in Malwah, which disappears without paying duty year after year, and the Board cannot but endorse the suspicion that "it finds its way not only by sea to China but by land to Sind, to the Deccan, and even to the Madras Presidency."

5. A petition has been received by the Board lately, which states that the writer has been in the habit of supplying the Government Opium contractor in Cochin with Opium for many years, and complains that his trade has been interfered with by the order of the Governor-General, dated the 11th June 1870, prohibiting the exportation of Opium not covered by a Pass!

6. Nothing but a restrictive law as to the possession of Opium will meet such a case as this, for even when the law prohibiting export is again clear the neighbourhood of the railway to the frontier will always make smuggling easy.

7. The Board are convinced that it is necessary, for the sake of the Imperial revenue, to place the transport, possession, and sale of Opium under restrictions

*Proceedings of the Madras Government, Revenue Department,
12th April 1871.*

similar to the Abkarry Law, as seems to be the case in Bengal under Act XXI. of 1856, and in Bombay under Act III. of 1852. They also think it would be expedient to legalize the export of Opium from ports on the coast on payment of a duty corresponding to that exacted on the Malwah frontier. If the Cochin and Travancore States will consent to prohibit the exportation of the drug from their ports altogether, it would remove the necessity that now exists for preventing its crossing their frontiers. The law with regard to French Settlements may remain as it is.

No. 116. Proceedings of the Board of Revenue, dated 2nd December 1870, No. 6,921.

Read the following letter from the Acting Collector of South Canara, to the Acting Secretary to the Board of Revenue, dated Mangalore, 7th November 1870, No. 1,435.

With reference to paragraph 2 of the Board's Proceedings of 29th November 1869, No. 8,784, I have the honour to report that Opium does not appear to be clandestinely exported from the ports of this district.

SUBMITTED to Government, in continuation of the Board's Proceedings of 8th March 1870, No. 1,617.

No. 117. Proceedings of the Board of Revenue, dated 16th December 1870, No. 7,160.

Read the following letter from the Collector of Sea Customs, to the Acting Secretary to the Board of Revenue, dated Madras, 30th November 1870, No. 1,180.

ADVERTING to paragraphs 10, 12, and 13 of my letter* to Board, dated 18th October 1870, No. 982, I have the

* Recorded in Board's Proceedings of 12th November 1870, No. 6,616.

† From 1865-66 to 1869-70. honour to forward copies of letters and statements received from the Commissioner of Customs, Bombay, and the Opium Agent at Malwah, showing the number of chests of Opium produced† in Malwah and the number reserved for home consumption.

2. In the remarks column of the statement I have entered the number of chests remaining unaccounted for, besides the large quantity of 25,000 chests said to have been expended under the head "dryage" from 1865-66 to 1869-70.

ENCLOSURE No. 1.

From the Commissioner of Customs, Bombay, to the Collector of Sea Customs, Madras, dated 18th October 1870, No. 3,493.

With reference to your letter, No. 956, dated the 4th instant, I have the honour to herewith forward statement showing the number of Guzerat and Malwah chests of Opium exported, as requested in the 2nd paragraph of your letter. I am, I regret to state, unable to supply the information called for in your 3rd and the 4th paragraphs. A reference, if made to the Opium Agent, Malwah, will, it is presumed, be the readiest means for your obtaining information as to the outturn of the crop during the past ten years of the Province, together with the amount retained for home consumption, etc.

*Proceedings of the Madras Government, Revenue Department,
12th April 1871.*

Statement showing the number of chests of Malwah and Guzerat Opium imported into Bombay, and on which duty was collected during the season-years* from 1867-68 to 1869-70.

	Number of Chests.	Amount of Duty.	
Malwah Guzerat, via Ahmedabad	31,646 1,407½	RS. 1,89,87,600 8,44,500	
Total	33,053½	1,98,32,100	For 1867-68.
Malwah Guzerat, via Ahmedabad	28,562 2,588½	1,71,37,200 15,53,100	
Total	31,150½	1,86,90,300	For 1868-69.
Malwah Guzerat, via Ahmedabad	35,201 2,753½	2,11,20,600 16,52,100	
Total	37,954½	2,27,72,700	For 1869-70.

* The Opium season-year commences from 1st October and ends with 30th September.

BOMBAY,
13th October 1870.

(Signed) J. ROBERTSON,
Commissioner of Customs.

ENCLOSURE No. 2.

From the Officiating Deputy Opium Agent in Malwah, to the Collector of Sea Customs, Madras, dated Indore, 12th November 1870, No. 497.

With reference to your letter, No. 1,047, dated 25th ultimo, I have the honour to forward a statement for the last five years showing the total outturn of crop of Malwah Opium, and the number of chests that have been sent to Bombay for exportation, and those reserved for home consumption.

Statement showing the total crops of Malwah Opium and number of Chests reserved for home consumption during the last five years.

Years.	Total number of Chests produced.	Bombay for exportation.	Reserved for home consumption, Malwah	For Guzerat.	For Berar.	Dryage.	Remarks by the Collr. of Sea Customs. Balance unaccounted for in this statement.
1865-66	58,000	35,515	6,000	5,000			
1866-67	59,000	35,973	5,000	6,000	4,000	5,000	
1867-68	57,000	33,743	6,000	4,000	5,000	5,000	2,485
1868-69	56,000	30,487	5,000	5,000	3,000	5,000	2,027
1869-70	60,000	37,654	5,000	6,000	4,000	5,000	5,257
					5,000	5,000	6,513
	2,90,000	1,73,572	27,000	26,000	21,000	25,000	1,146
							17,428

INDORE,
12th November 1870.

(Signed) J. W. A. C. A. KELLY,
Offg. Dy. Opium Agent in Malwah.

SUBMITTED to Government, continuation of Board's Proceedings, 12th November 1870, No. 6,616.

*Proceedings of the Madras Government, Revenue Department,
12th April 1871.*

No. 118.

ORDER THEREON, 12th April 1871, No. 658.

Separate Revenue, No. 3.

Customs.

THE general state of the case as regards Opium in this Presidency may be stated as follows:—

2. The cultivation of the Poppy and manufacture of Opium may be said to be almost unknown. The use of the drug is very limited and almost entirely confined to some of the wild hill-tracts to which Opium is supplied mainly, if not solely, from the northern Presidencies.

3. The Import-duty by sea was fixed by Act VI. of 1844, Schedule A., at 24 Rs. per Seer of 80 Tolas (equal to about 7½ per 1 Rupee weight), and the export was prohibited by Schedule B. of the same Act, unless the goods were covered by a Pass showing that the Excise-duty had been paid. These rates were reserved by saving clauses in all subsequent Customs Acts and also by the concluding clause of Section 1, Act VIII. of 1863 (the Repealing Act). But the Schedule attached to the last Act expressly repealed "so much of Schedules A., B., and C., Act VI. of 1844, as is not already repealed," which description was solely applicable to the articles relating to Salt and Opium; and the Madras High Court have declared that the express repeal could not be nullified by any of the provisos in Section 1 (*vide* Proceedings of Government, dated 11th June 1870, No. 388, forwarded to the Government of India on same date), so that according to this ruling the importation is now free, and the exportation not prohibited by any provision of law. But by Notification, dated 9th June 1870, the Governor-General in Council prohibited "the exportation of Opium not covered by a Pass by sea from any port or place in the Presidency of Fort Saint George, or by land from that Presidency "to any foreign or Native State." This Notification purports to be issued "in exercise of the powers conferred by the consolidated Customs Act, Section 23, and of every other power enabling him in this behalf;" but Section 1 of this Act (VI. of 1863) declares its object to be the consolidation and amendment of the laws relating to Sea Customs, and although Section 23 authorizes the Governor-General in Council to prohibit exportation of any goods without specifying whether by sea or land, the validity of the above Notification as regards exportation of Opium by land, although still maintained by the Calcutta authorities (*vide* letter from Government of India, dated 20th February 1871), is not only questioned by Mr. Advocate-General Norton, but has been distinctly disallowed by the Acting Session Judge of Malabar.

4. The case is not mended by Act XI. of 1869, imposing the rates of Sea Customs duty on goods imported or exported by land in this Presidency, inasmuch as by the ruling of the Madras High Court above quoted there is no longer any duty of Sea Customs leviable on Opium.

5. The result of the foregoing appears to be that except as regards exportation by sea which is prohibited, trade in Opium is unregulated by law in this Presidency, and that the local production or consumption is not such as to render any *excise* measure necessary or advisable.

6. But it appears that in the Cochin and Travancore territory the Sirkar monopoly of Opium depends for supply on British India, much of which supply has hitherto been obtained by importation by land, and the Sirkar also obtains a con-

Exd. E. B. Parryman.

"the Resident in Travancore and Cochin
to the Board of Revenue."

Secretary to Government.

W. HUDGESTON.

(Signed)
(True Extract.)

of India.

14. Ordered that copy of these Proceedings be forwarded to the Government
avoided so long as the monopoly is retained.

13. It must, of course, continue doubtful whether the inducements to illicit
their rates of duty are at least equally high.

exercise, and that the Travancore and Cochin Duties be reduced to arrange that
payment of all duties as may suffice to protect the Bengal monopoly of the Bombay
land or sea (unless the goods be covered by a Pass according to provisions
is a short enactment prescribing such rates of Customs-duty on imports and exports

12. What seems necessary for the regulation of the trade in this Presidency
territory may contribute to the supply this Government have no means of knowing.
that the local excise dues on manufacture are evaded. Whether the Hyderabad
the trade is pursued, that the profits must be so large as to warrant the assumption
Madras may be obtained from this source, and from the apparent avidity with which

11. It certainly seems probable that the Opium clandestinely exported from
the
only contributing to the State revenues, this Government are not in a position to
whether, if it be so, the surplus can be brought into the general market without

10. Whether this source of supply is in excess of local requirements, and
tion from Bombay and the "resale",
crests in addition not accounted for out of the quantity produced by the export-
30,000 crests yearly, which there appears to be a yearly average of about 3,200
consumption in Malabar, Cochin, and Beiser, and as "duty-free", and according yearly
supply in the very large stock of Malabar Opium reserved ostensibly for home

9. The Collector of Sea Customs, however, indicates a probable source of
plant is said to be very limited.

growing for supplying that it is obtained from places where the cultivation of the
derived from the growth of Poppy in this Presidency, nor does there seem any good

8. As regards the first question it appears certain that the supply is not
it contribute duty to the State revenue: if not, how best can the trade be regulated.

7. The questions then arise from what locality is the supply derived: does
being extremely large.

clandestine, if not illicit, trade in this article is very strong, the possible profits
siderable quantity of the drug from British India, so that the temptation for

13th April 1871.

Proceedings of the Madras Government Revenue Department.

[Handwritten notes in left margin, mostly illegible]

[Handwritten notes in right margin, mostly illegible]

18th April 1871
Memo. on the Opium

[Handwritten signature]

post office found to
contain opium should
be handed over to the
nearest Excise officer
to be dealt with under
the Excise law. It
now appears that, in
this Presidency, this
notification must prove
a dead letter, as there
is no excise law relating
to opium. The Advocate
General when advising
the Board of Revenue
to this effect, also
pointed out the repealing
act

jurisdiction of the
Governor General. I
would submit the
papers & state that we
see no authority to legalize
the report of the
article under
"duty" & "duty".
R. A.
A. A.

act of 1868 had swept
away the schedules A
and B of Act VII of 1844
which were the only legal
sanction for prohibiting the
export of opium by sea
in this Presidency.

3. The same question
has recently been placed
before Government by the
undersigned in regard
to the import duty on
salt which, equally
with the prohibition
of the export of opium,
rested upon those sche-
dules and was referred
with

with remarks, to the Ad-
vocate General. It
appeared to the under-
signed that, inasmuch
as the body of Act stated
decisively that nothing
in the Act should
affect the duties on salt
and opium; and that
further it should not
affect any existing
restriction notwithstanding
that such restric-
tion may have been
derived from any
enactment repealed
by

by it, the insertion
of schedule A B
of Act VI of 1844 in
the list of Acts re-
pealed had not had
the effect either of
remitting the prohibi-
tion or "restriction" against
the export of opium, or
of repealing the import
duty of Rs. 3 per maund
on salt. The disposal
of the present paper
was consequently
deferred until
the

the Advocate General's
opinion in regard
to Salt was received.
Mr. Norton has in-
formed the under-
signed that he
sees no reason to
alter his opinion
in regard to
opium, but that
he considers the
import

import duty on Salt is
still in force.

4. The Board of
Revenue recommend that
application be made to
the Govt of India for a
Notification under Sec.
23 of the Customs Act
(VI of 1863) prohibiting the
export of opium, and they
are of opinion that its
export by land should
also be prohibited, though
in the present state of Act
XI of 1869 (Land Customs
Act) there is no means of
doing so. It is submitted
that, as the Advocate General
holds to his opinion, it will
be as well to apply by
telegraph for the issue of the
notification and to take up
again

again the question of
legislation regarding the
sale or possession of drugs,
with reference to the
suggestions made by the
Collector of Sea Customs,
recorded in the G.O. 18th

February 1870, N^o 237.

The transit of opium by
post or its export by land
could easily be dealt
with in an enactment
of this description. With

the second papers noted
at the head of this Memo,
the Board submit their
reply to the G.O. under
date 18th February 1870,
in which they were
requested to report whether

the smuggling of opium
was generally prevalent,
with the Collector's reports
on the subject. It appears
that though the smuggling
of the drug cannot be
said to be general, a
very considerable quantity
of opium is clandestinely
exported from some
coast Districts; and the
Board express an opinion
that the contraband trade
in Madras has been in a
great measure checked by
the recent seizures. They
are averse to a special
enactment on the
subject, because it
would add to the
Penal Statute and

provide

provide a ready means
of false accusation. -

subject's dignity

subject's dignity

Ed. D. Oll
641.1

17/ *Revenue*
Opium Act
1870

No 658 Revenue Department
 Pros of the Madras Govt.
 Under date the 12th April 1871

Pro. Bd. of Revenue	Read the following papers
— Ditto —	24 th E. 8 th March 1870, No. 1617.
— Ditto —	15 th March 1870, No. 1777.
— Ditto —	29 th April 1870, No. 2849.
From the Govt. of India - Fm. Dept	16 th July 1870, No. 1931.
Pro. Bd. of Revenue	24 th Oct. 1870, No. 6281.
— Ditto —	12 th Nov. 1870, No. 6616.
— Ditto —	2 nd December 1870, No. 6921.
— Ditto —	16 th December 1870, No. 7166.

The general state of
 the case as regards Opium in
 this Presidency may be stated
 as follows:

The cultivation of the
 Poppy and manufacture of
 Opium ~~may be said to be~~ almost unknown.
 The use of the drug is very
 limited, and almost entirely
 confined to some of the wild
 hill tracts to which Opium

N.

S.D.S.

+ may be said the
 N.

A.A.

is supplied mainly if not
solely from the Northern
presidencies.

The Import duty by sea
was fixed by Act 6 of 1844, Sche-
dule A, at 24 Rs per peer
of 80 Tolas (equal to about
7d. per 1 Rupee weight) and
the Export was prohibited by
Schedule B of the same act,
unless ^{the goods were} covered by a pass show-
ing that the excise duty
had been paid. These rates
were preserved by saving
clauses in all subsequent
Customs acts, and also by
the concluding clause of
Section

Section 1 of Act 8 of 1868
(the Repealing act). But
the schedule attached to the
last act expressly repealed
"so much of Schedules A, B,
& C, Act 6 of 1844, as is
not already repealed" which
description was solely ap-
plicable to the articles
relating to Salt & Opium.
and the Madras High Court
have declared that the
express repeal could not be
nullified by any of the
provisions in Section 1. (Vide
Proc. of Govt. dated 11 June
1890 N. 858 forwarded to
the

the Govt of India on same
date) so that according to his
rating the importation is
now free and the exportation
not prohibited by any pro-
vision of law. But by
Notification dated 9 June
1860 the Governor General
in Council prohibited the
exportation of opium not
covered by a pass, by sea
from any port or place in
the Presidency of Fort St
George or by land from
that Presidency to any
foreign or Native State.

The Notification
prohibits



purports to be issued in exercise
of the powers conferred by the
Consolidated Customs Act, Sec
23, and of every other power
enabling him in the behalf
but Section 1 of the Act of 1860
declares its object to be
the Consolidation and amendment
of the laws relating to Sea Customs
and although Section 23 authorizes
the Governor General in Council to
prohibit exportation of any goods
without specifying whether by
sea or land, the validity of the
above Notification as regards the
exportation of opium by land
although still maintained by the
Collector

Calcutta authorities (Vide letter
from Govt of India dated 20th
July 1911) is not only questioned
by Mr. Advocate General Norton
but has been distinctly disallowed
by the Session Judge of Cochin
Malabar.

The case is not men-
tioned by Act II of 1869 impos-
ing the rates of Sea Customs
duty on goods imported or exported
by land in this Presidency,
in as much as by the ruling
of the Madras High Court is
above quoted there is no longer
any duty of Sea Customs im-
posable on opium.

The result of the
foregoing

foregoing appears to be that
except as regards exportation
by sea which is prohibited,
trade in opium is unregulated
by law in this Presidency, and
that the local production or
consumption is not such as to
render any House measure necessary
or advisable.

But it appears that in
the Cochin and Travancore
territory the Sirkar monopoly of
Opium defends for supply on
British India much of which supply
has hitherto obtained by importation
by land and that Ceylon
also obtains a considerable quantity

of the drug from British India, so that the temptation for clandestine if not illicit trade in the article, is very strong, the possible profits being extremely large.

The questions then arise from what locality is the supply derived - does it contribute duly to the State revenue: if not, how best can the trade be regulated.

As regards the first question it appears certain that the supply is not derived from the growth of ^{Poppy} in the Presidency nor does there seem any good ground for supposing that it is obtained from Mysore where the cultivation of the plant is said to be very limited.

The Coll^r of Sea Customs however indicates a probable source of supply in the very large stock of

of Malwa opium reserved ostensibly for Home consumption in Malwa, Jagerat and Berar, and as Druggs and averaging nearly 20,000 chests yearly, while there appears to be a yearly average of about 3,500 chests in addition not accounted for out of the quantity produced, by the exportation from Bombay and the Receiver.

Whether this source of supply is in excess of local requirements, and whether if it be so, the surplus can be brought into the general market without duly contributing

to the State revenues
this Government are not
in a position to judge.

It certainly seems
probable that the opium
clandestinely exported
from Chattras may be ob-
tained from this source,
and from the apparent
avidity with which the
trade is pursued, that
the profits must be so
large as to warrant the
assumption that the
local excise dues on manu-
facture are evaded. Whether
the Hyderabad territory
may contribute to the
supply

supply this Govern-
ment have no means
of knowing.

What seems ne-
cessary for the regulation
of the trade in the Presidency
is a short enactment pre-
scribing such rates of
customs duty on import
and export by land or
sea (unless the goods be
conveyed by a passport).

But we have no
means of levying
an import duty
by land.

It will only apply
to the foreign frontier
where customs duties
are maintained for all
trade.

Referring to previous
payment of all dues
as may suffice to
protect the Bengal
monopoly or the Bombay
excise - and that the

Forward

Travancore and Cochin
Sirkars be requested to
arrange that their rates
of duty are at least
equally high.

It must of course
continue doubtful whether
the inducements to illicit
trade will not continue
so powerful as to encourage
smuggling, but this cannot
be avoided so long as the mono-
poly is retained.

Ordered that
copy of these orders
be furnished to the
Govt of India.

V.B.

13 Feb 1871
Resident in Travancore &
Cochin

By Order
of the
Govt of India

Optimizing

23 Feb 1871

Official
Gobt. of 1871

To
REVENUE.

THE BOARD OF REVENUE,

Ac, Sec, &c.

Dated April 12th.

Recd.

Recd.

G. O. 12th April 1871, No. 538.

By order

NO. 110-118.

Opium smuggling.—Communications relating to this subject reviewed and a copy of the Proceedings ordered to be forwarded to the Government of India.

10-9-1871