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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. ~~B.P. No.~~	518	~~Press~~ Mis.
Dated	29. 4. 1874 196 .	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 29th April 1874.

No. 230. Read the following Proceedings of the Board of Revenue, dated 16th March 1874, No. 597 :—

Read again Proceedings of Government, dated 17th April 1873, No. 410 :—

Read also the following letters :—

From	Collector	of Ganjam,	dated	28th October	1873,	No. 2,583.
,,	,,	of Vizagapatam,	,,	17th July	,,	,, 1,059.
,,	,,	of the Godavery District	,,	15th September	,,	,, 301.
,,	,,	of the Kistna District,	,,	19th November	,,	,, 1,738.
,,	,,	of Nellore,	,,	19th July	,,	,, 1,610.
,,	,,	of Cuddapah,	,,	25th ,,	,,	,, 120.
,,	,,	of Bellary,	,,	10th ,,	,,	,, 220.
,,	,,	of Kurnool,	,,	25th ,,	,,	,, 218.
,,	,,	of Chingleput,	,,	7th October	,,	,, 460.
,,	,,	of North Arcot,	,,	8th ,,	,,	,, 629.
,,	,,	of South Arcot,	,,	1st August	,,	,, 27.
,,	,,	of Tanjore,	,,	7th ,,	,,	,, 279.
,,	,,	of Trichinopoly,	,,	23rd October	,,	,, 241.
,,	,,	of Madura,	,,	26th July	,,	,, 239.
,,	,,	of Tinnevelly,	,,	31st May	,,	,, 295.
,,	,,	of Coimbatore,	,,	15th July	,,	,, 143.
,,	Commr.	of the Nilgiris,	,,	5th November	,,	,, 106.
,,	Collector	of Salem,	,,	4th August	,,	,, 221.
,,	,,	of South Canara,	,,	19th ,,	,,	,, 1,386.
,,	,,	of Malabar,	,,	15th September	,,	,, 209A.
,,	,,	of Sea Customs,	,,	21st August	,,	,, 938.

GOVERNMENT, in their order of 17th April 1873, called upon the Board for a report regarding the traffic in, and consumption of, Opium in the Godavery District, and as to whether the people in any other districts were similarly addicted to Opium-eating.

2. The foregoing letters are the reports on the subject submitted by Collectors.

3. It appears that the districts in which the consumption of Opium is excessive are Godavery, Kistna, Vizagapatam, and Ganjam.

4. The value of the amount annually consumed in the Godavery District is estimated at seven lakhs of Rupees, and the Deputy-Collector on general duties states that forty per cent. of the male and twenty-five per cent. of the female population are habitual Opium-eaters.

5. The Collector of Ganjam reports the consumption in his district as very considerable. The value is supposed to be from Rupees 70,000 to 90,000.

6. The estimates given in different portions of the Vizagapatam District vary so much, without any apparent reason, that little reliance can be placed on the correctness of the figures given.

Thus, in the Principal Assistant's Division, with a population of 550,556, the annual consumption is said to be nearly 54,000 seers; in the Senior Assistant's Division, with a population of 260,948, it is said to be 10,920 seers; and in the rest of the district (except Jeypore), with a population of 321,207, it is said to be

23,000 seers. In Jeypore it is said to be largely used. The Collector estimates the value of the Opium consumed in the lower portions of the district at Rs. 4,72,775, but it is probably much greater.

7. The Collector of the Kistna District states that very large quantities of Opium are imported through Juggiahpet from Malwa and Hyderabad, but that the consumption in the district is not very great, and that he is unable to find what becomes of the large importations.

8. The letter from the Collector of Sea Customs gives an account of the illicit trade carried on in Opium, and suggests that to prevent this the Opium Acts of Bengal and Bombay should be extended to Madras.

9. From these reports, as well as from the replies to G. O., 18th October 1873, No. 1,188, which the Board are about to submit to Government, it is evident that smuggling on a very large scale is carried on, and that the consequent loss of revenue is very great; and the Board have already stated* their opinion that it is necessary for the safety of the imperial revenue that the transport, possession, or sale of Opium should be placed under restrictions similar to those of the Abkari Law; and they are of opinion that this is also expedient on sanitary grounds.

10. In a letter to the Government of India, dated the 15th July 1871, No. 1,230, Government expressed themselves as strongly opposed to any restrictions as to the sale or possession of Opium; but this was because of the insignificant extent of the home consumption of the drug in this Presidency.

11. It appears, however, from the reports now obtained that in four districts at least the consumption of Opium is very considerable, and the Board are of opinion that the consumption in several other districts, viz., Bellary, Kurnool, and Cuddapah, is under-estimated. These districts have great facilities for obtaining the drug from the Central Provinces and Hyderabad. From G. O., 16th February 1874, No. 210, it appears that Government have already determined to introduce a Bill prohibiting the retail sale of Ganja and other intoxicating drugs without a licence from the Collector. Opium [illegible] be dealt within the same Bill.

From J. HUNTER-BLAIR, Esq., Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 21st August 1873, No. 933.

1. I have the honour to acknowledge receipt of the Board's Proceedings No. 8[illegible] of 10th May 1873, requiring a fresh report [illegible] to which the trade and consumption of opium prevails in this district.

2. I should have [illegible] subject, but I wished first to procure information from Malwa, and also [illegible] the account of several smuggling cases now under investigation.

3. The Board [illegible] smuggling is one in which I have taken a great personal interest since March 1868, when I first discovered the extent to which it was carried on. In October 1870, I sent in a full report to the Board on the subject, which the

* My letter to Board [illegible]

Board's Proceedings, [illegible]

Board forwarded to Government, supporting very strongly my recommendations to introduce penal laws for regulating the transport, possession, and sale of opium in this Presidency.

4. The Government of Madras was of opinion,* that the local production, and consumption was not such as to render any excise measure necessary, or advisable, and that a short enactment, prescribing certain rates of Customs duty on exports and imports by land or sea, would sufficiently regulate the trade in this Presidency.

5. In answer to the proposal of the Madras Government, the Government of India directed† that an export duty of Rupees 600 per chest should be imposed, and also remarked on several points referred to in my letter, and the Board's Proceedings.

6. On receipt of the Order of the Government of India an export‡ duty of Rupees 600 per chest was imposed by the Madras Government, which further gave as its opinion, that in view of the insignificant extent of the home consumption of the drug, this Government is altogether opposed to any restrictions on the possession, or sale of opium, within the Presidency.

7. Here the matter dropped, as I had gone to England in June 1871. I returned in June 1873, when I found the Board's Proceedings of May 10th 1873, calling for a fresh report on the subject of opium.

8. It seems to me that the object of my report of 18th October 1870, was misunderstood by the Government of Madras. I recommended that penal laws should be introduced for regulating the *transport, possession* and *sale* of opium within the Presidency. My recommendations were supported by the Board, but the Government appear to have supposed that I had reported on, and advised to control only the *consumption* of opium and its import and export by sea or land, and recommended§ that restrictions should be put on the latter, but not on the former.

9. I will now proceed to consider the letter¶ from the Government of India, which appears to me to show that the Government of India was of opinion¶ that opium was transported through the Madras Presidency, that such traffic should be controlled,** and that it might be desirable to introduce the Bengal system making possession illegal, and thereby prevent untaxed consumption and evasion of the Malwa export duty. In paragraph 7 again the subject of punishing possession of opium is referred to, and in paragraph 9 it is stated that "I am to impress this point strongly on the attention of the Government of Madras; for it appears to the Governor-General in Council that the subject has not been sufficiently considered, the only recommendation made being for the imposition of import and export duties by land and sea."

10. As regards the remark†† that "the estimate of 57,000 chests as the annual produce of Malwa is altogether unreliable," all I can say is, I beg to refer to the letter from the Officiating Deputy Opium Agent in Malwa, and the statements forwarded therewith. What that officer's grounds for forming a correct estimate

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* Vide Board's Proceedings, dated 12th November 1870, No. 6,616 (para. 7) embodied in Proceedings of Government, dated 12th April 1871, No. 658. Note.—Act XXI of 1856 has been repealed by Act X of 1871; Acts XI of 1849 and XIII of 1857 should also be referred to.

* Paragraph 5, G. O., of 12th April 1871, No. 658.

† Under Secretary to Government of India, Financial Department, to the Chief Secretary to Government of Madras, dated 8th June 1871, No. 978.

Acting Secretary to Government, Fort St. George, to the Secretary to Government of India, Financial Department, 15th July 1871, No. 1,230.

‡ Since repealed.

My letter to Board, dated 18th October 1870, No. 952, paragraph 13.

Board's Proceedings, 12th November 1870, No. 6,616, paragraphs 6 and 7.

§ Paragraph 13, G. O., 12th April 1871, No. 658.

Paragraph 5, same letter.

¶ Under Secretary to Government of India, Financial Department, to Chief Secretary to Government of Madras, dated 8th June 1871, No. 978.

¶ Paragraph 3.

** Paragraph 3.

Paragraph 4.

†† Paragraph 8, Under Secretary to Government of India, Financial Department, to Chief Secretary to Government of Madras, 8th June 1871, No. 978.

Deputy Opium Agent, Malwa, to Collector, Sea Customs, Madras, 12th November 1870, No. 317.

may be, I do not know, but there is nothing in his letter forwarding it, to show that the estimates are incorrect or even approximately so, except that there is a balance unaccounted for. I again wrote on July 7th 1873, to the Malwa Opium Agent, and forward copy of his answer, and statement sent therewith. In the letter and statement he uses the expression "probable outturn," and in the Statement heads columns 1, 3, 4, 5 and 7 with "approximate" adding in a footnote "columns 1, 3, 4, 5, and 7 are mere guess."

11. Now I do not know, and cannot here find out, the constitution and modus of working the Malwa Opium Agency, but surely when such an enormous amount of revenue is at stake, as nearly a crore of Rupees annually, the Malwa Opium Agency should be able to show whether the approximate and guess-work statements made by it of the quantities of opium produced, have any foundation in fact, or not.

12. I cannot help remarking that [illegible] was said in the first letter or statement, about the figures being approximate, or guess work; these words are only used in the second letter and statement.

13. The constitution and system of working of the Malwa Opium Agency is, however, a subject for the consideration of the Government of India, but I would respectfully remark that if it cannot give even an approximately correct return of the number of chests of opium produced in the districts under its control, its utility must be very slight indeed.

14. I do not think any further proof is necessary, or can be required that "opium does [illegible] its way into the Madras Presidency, and to the Sea coasts, and that some, is even exported thence to foreign countries." Full details of this traffic has been given* by me as regards Madras itself, [illegible] other Collectors [illegible] letters and reports to the Board, which will be found in the Proceedings of the Board of 24th April 1871, No. 1,626,—by Dr. Cornish†, the Sanitary Commissioner, and probably by the reports now [illegible] their Proceedings of May 16th 1873, No. 815.

15. Since my return to Madras [illegible] I have received information of numerous cases of opium smuggling, [illegible] but I do not give particulars in this letter, as, in the present state of the law [illegible] to detect the smugglers, and I do not wish to give them any information [illegible] be avoided.

16. I am, however, [illegible] that the illicit traffic in opium has considerably increased during the last [illegible] years, consequent on the perfect impunity with which the smugglers have carried on their trade [illegible] Matters are becoming daily worse; and unless some [illegible] smuggling now going on, I believe that not only will the Government [illegible] a surplus of nearly a crore of Rupees, which I firmly believe [illegible] Malwa opium in addition to the present revenue, but [illegible]

17. [illegible] board dhonies and other vessels all along the coast [illegible] and I believe to the Straits and China. [illegible] Pondichery and Karikal, and stopped [illegible] effective and *well paid* preventive service [illegible]

18. [illegible] history of Customs duties all over the world [illegible] any article makes smuggling a very [illegible] when duties, such as that on opium, [illegible] Rupees on a chest of 140 lb. are imposed. [illegible] already stated by me a lb. of opium in [illegible] Rangoon for 15 or 17 Rupees,—100 [illegible] to one that an enormous amount of [illegible] been detected.

* Paragraphs [illegible] 1868, [illegible]

† Paragraphs [illegible] No. [illegible] dated December [illegible]

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19. The Government of India further remarks that the traffic, illicit possession and sale should be controlled, and means are suggested for that purpose. On this point, I can only reiterate the views already expressed by me on several previous occasions, which have been supported by the Board, viz., to prohibit by law the transport by land or sea, possession, and sale of opium without a pass, or license, under very heavy penalties.

Paragraphs 3, 4, 5 and 6, of letter of the Under Secretary to Government of India, to Chief Secretary, Madras, 8th June 1871, No. 178.
My letter to Board, 16th September 1868, No. 1,011, paragraph 13.
Do. do. 20th October 1868, No. 1,129.
Do. do. 26th October 1869, No. 1,032, paragraph 13.
Do. do. 18th October 1870, No. 962, paragraph 14.
Board's Proceedings, 12th November 1870, No. 6,616, paragraphs 6 and 7.

20. The Report on the subject of consumption in Madras, called for by the Board, in the same Proceedings, will be sent in a few days.

21. That subject should, I respectfully submit, be taken up separately from those of traffic, possession, and sale, as I believe, had not the subject of consumption unfortunately attracted the notice of the Government of Madras, a law would have been passed a year or two ago controlling the traffic, possession, and sale.

22. I am induced to make this remark, from the general tenor of the letter of the Under Secretary to the Government of India, and to my personal knowledge of the fact that the late Viceroy,—Lord Mayo,—believed that the statements in my letter of October 18th, 1870, were correct, and that legislation was necessary to prevent smuggling, and the consequent enormous loss of revenue.

ENCLOSURE No. 1.

From D. W. R. BURR, Esq., Officiating Deputy Opium Agent, Malwa, to the Collector of Sea Customs House, Madras, dated Indore, 18th July 1873, No. 425.

WITH reference to your letter No. 718, dated 7th instant, I have the honour to forward a statement for the last four years, showing the probable total out-turn crop of Malwa Opium and the number of chests that have been sent to Bombay for exportation and those reserved for Home consumption.

(True Copy.)

(Signed) J. HUNTER-BLAIR,
Collector.

ENCLOSURE No. 2.

Probable Statement showing the total out-turn crops of Malwa Opium and the number of chests that have been sent to Bombay for exportation and those reserved for home consumption.

Years.	Total number of chests produced approximate.	Actual to Bombay for exportation.	Reserved for home consumption in Malwa approximate.	Gujrat approximate.	Berar approximate.	Actual to Kattywar.	Dryage approximate.
——	1	2	3	4	5	6	7
1869-70... ...	60,000	37,554	5,000	6,000	5,000	318	5,000
1870-71... ...	58,000	37,608	5,000	5,000	4,000	402	5,500
1871-72... ...	59,000	37,591	6,000	5,000	6,000	377	5,500
1872-73... ...	60,000	42,868	5,000	4,000	5,000	200	6,000

NOTE.—Columns Nos. 1, 3, 4, 5 and 7 were guess.

INDORE,
18th July 1873.

(Signed) D. W. R. BURR,
Offg. Deputy Opium Agent, Malwa.

Proceedings of the Madras Government, Revenue Department, 29th April 1874.

No. 231. ORDER THEREON, 29th April 1874, No. 518.

Separate Revenue, No. 13.

Customs.

ORDERED that copy of the above Proceedings of the Board of Revenue and the file of the Collectors' reports received therewith be sent to the Government of India, with reference to their Financial letter, dated 27th March 1873, No. 2,061.

2. The subject of paragraphs 8 to 11 of the Board's Proceedings will be considered in connection with Board's Proceedings, dated 31st March 1874, No. 745.

(True Extract.)

(Signed) C. G. MASTER,
Acting Secretary to Government.

To the Board of Revenue.

To G. A. Parsons.

19-11-75

Govt. of 1874 Madras.

REVENUE,

To

The Board of Revenue.

Dated April 1874.

Read. Read.

G. O., 20th April 1874, No. 515.

APRIL,

Nos. 530-531.

Traffic in, and Consumption of, Opium in certain Districts of Madras Presidency.—Orders that Board's Proceedings and file of Collectors' letters received therewith, reporting on the — be forwarded to the Government of India, and observes that paragraphs 6 to 11 of the Board's Proceedings, regarding adoption of measures to prevent illicit trade in Opium, will be considered separately.

No. 597.

Proceedings of the Board of Revenue, dated 16th March 1874.

Read again Proceedings of Government, dated 17th April 1873, No. 410:—

Read also the following letters :—

From Collector	of Ganjam,	dated	28th October 1873,	No.	2,583.
,, ,,	of Vizagapatam,	,,	17th July	,, ,,	1,059.
,, ,,	of the Godavery District	,,	15th September	,, ,,	801.
,, ,,	of the Kistna District,	,,	19th November	,, ,,	1,738.
,, ,,	of Nellore,	,,	19th July	,, ,,	1,610.
,, ,,	of Cuddapah,	,,	25th ,,	,, ,,	120.
,, ,,	of Bellary,	,,	10th ,,	,, ,,	220.
,, ,,	of Kurnool,	,,	25th ,,	,, ,,	218.
,, ,,	of Chingleput,	,,	7th October	,, ,,	400.
,, ,,	of North Arcot,	,,	8th ,,	,, ,,	629.
,, ,,	of South Arcot,	,,	1st August	,, ,,	272.
,, ,,	of Tanjore,	,,	7th ,,	,, ,,	279.
,, ,,	of Trichinopoly,	,,	23rd October	,, ,,	341.
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,, ,,	of Tinnevelly,	,,	31st May	,, ,,	295.
,, ,,	of Coimbatore,	,,	14th July	,, ,,	143.
,, Commr.	of the Nilgiris,	,,	5th November	,, ,,	106.
,, Collector	of Salem,	,,	4th August	,, ,,	221.
,, ,,	of South Canara,	,,	19th ,,	,, ,,	1,380.
,, ,,	of Malabar,	,,	15th September	,, ,,	209A.
,, ,,	of Sea Customs,	,,	21st August	,, ,,	938.

Government, in their order of 17th April 1873, called upon the Board for a report regarding the traffic in, and consumption of, Opium in the Godavery District, and as to whether the people in any other districts were similarly addicted to Opium-eating.

2. The foregoing letters are the reports on the subject submitted by Collectors.

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4. The value of the amount annually consumed in the Godavery District is estimated at seven lakhs of Rupees, and the Deputy-Collector on general duties states that forty per cent. of the male and twenty-five per cent. of the female population are habitual Opium-eaters.

5. The Collector of Ganjam reports the consumption in his district as very considerable. The value is supposed to be from Rupees 70,000 to 90,000.

6. The estimates given in different portions of the Vizagapatam District vary so much, without any apparent reason, that little reliance can be placed on the correctness of the figures given.

Thus, in the Principal Assistant's Division, with a population of 556,556, the annual consumption is said to be nearly 54,000 seers; in the Senior Assistant's Division, with a population of 966,948, it is said to be 10,320 seers; and in the rest of the district (except Jeypore), with a population of 321,207, it is said to be 29,000 seers. In Jeypore it is said to be largely used. The Collector estimates the value of the Opium consumed in the lower portions of the district at Rs. 4,72,775, but it is probably much greater.

7. The Collector of the Kistna District states that very large quantities of Opium are imported through Juggiahpet from Malwa and Hyderabad, but that the consumption in the district is not very great, and that he is unable to find what becomes of the large importations.

8. The letter from the Collector of Sea Customs gives an account of the illicit trade carried on in Opium, and suggests that to prevent this the Opium Acts of Bengal and Bombay should be extended to Madras.

9. From these reports, as well as from the replies to G. O., 18th October 1873, No. 1,133, which the Board are about to submit to Government, it is evident that smuggling on a very large scale is carried on, and that the consequent loss of revenue is very great; and the Board have already stated* their opinion that it is necessary for the safety of the imperial revenue that the transport, possession, or sale of Opium should be placed under restrictions similar to those of the Abkari Law; and they are of opinion that this is also expedient on sanitary grounds.

10. In a letter to the Government of India, dated the 15th July 1871, No. 1,230, Government expressed themselves as strongly opposed to any restrictions as to the sale or possession of Opium; but this was because of the insignificant extent of the home-consumption of the drug in this Presidency.

11. It appears, however, from the reports now obtained that in four districts at least, the consumption of Opium is very considerable, and the Board are of opinion that the consumption in several other districts, viz., Bellary, Kurnool, and Cuddapah, is under-estimated. These districts have great facilities for obtaining the drug from the Central Provinces via Hyderabad. From G. O., 16th February 1874, No. 210, it appears that Government have already determined to introduce a Bill prohibiting the retail-sale of hemp and other intoxicating drugs without a license from the Collector. Opium traffic should be dealt with in the same Bill.

(A true Extract.)

J Grose
Secretary.

(True Copy.)

First Assistant.

To the Acting Secretary to Government, Revenue Department,
with a file of Collector's replies.
Copy to all Collectors.

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* *Vide* Board's Proceedings, dated 12th November 1870, No. 6,616, (para. 7) embodied in Proceedings of Government, dated 12th April 1871, No. 658. Note.—Act XXI of 18[illegible] has been repealed by Act X of 1871. Acts XI of 1849 and XIII of 1857 should also be referred to.

From J. HUNTER-BLAIR, Esq., Collector of Sea Customs, to the Secretary to the Board of Revenue, dated Madras, 21st August 1873, No. 993.

I have the honour to acknowledge receipt of the Board's Proceedings No. 815, of 16th May 1873, requesting me to report the extent to which the traffic and consumption of opium prevails in this district.

2. I should have reported sooner on this subject, but I wished first to procure information from Malwa, and also to include in this letter the account of several smuggling cases now under examination.

3. The Board are aware that the subject of opium smuggling is one in which I have taken a great personal interest since March 1868, when I first discovered the extent to which it was carried on. In October 1870, I sent in a full report* to the Board on the subject, which the Board forwarded to Government, supporting very strongly my recommendations to introduce penal laws for regulating the transport, possession, and sale of opium in this Presidency.

4. The Government of Madras was of opinion,† that the local production, and consumption was not such as to render any excise measure necessary, or advisable, and that a short enactment, prescribing certain rates of Customs duty on exports and imports by land or sea, would sufficiently regulate the trade in this Presidency.

5. In answer to the proposal of the Madras Government, the Government of India directed‡ that an export duty of Rupees 600 per chest should be imposed, and also remarked on several points referred to in my letter, and the Board's Proceedings.

6. On receipt of the Order of the Government of India an export§ duty of Rupees 600 per chest was imposed by the Madras Government, which further gave as its opinion,¶ that in view of the insignificant extent of the home consumption of the drug, this Government is altogether opposed to any restrictions on the possession, or sale of opium, within the Presidency.

7. Here the matter dropped, as I had gone to England in June 1871. I returned in June 1873, when I found the Board's Proceedings of May 16th 1873, calling for a fresh report on the subject of opium.

8. It seems to me that the object of my report of 18th October 1870, was misunderstood by the Government of Madras. I recommended that penal laws should be introduced for regulating the *transport possession* and *sale* of opium within the Presidency. My recommendations were supported by the Board, but the Government appear to have supposed that I had reported on, and advised to control only the *consumption* of opium and its import and export by sea or land, and recommended that restrictions should be put on the latter, but not on the former.

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* My letter to Board 18th October 1870, No. 982.

Board's Proceedings, 12th November 1870, No. 6,616.

† Paragraph 4, G. O. of 12th April 1871, No. 658.

‡ Under Secretary to Government of India, Financial Department, to the Chief Secretary to Government of Madras, dated 9th June 1871, No. 573.

§ Acting Secretary to Government, Fort St. George, to the Secretary to the Government of India, Financial Department, 15th July 1871, No. 1,230.

¶ Same paragraph.

My report to Board, dated 18th October 1870, No. 945, paragraph 17.

Board's Proceedings, 12th November 1870, No. 6,616, paragraphs 9 and 10.

Paragraph 19, G. O., 12th April 1871, No. 658.

Paragraph 5, same letter.

* Under Secretary to Government of India, Financial Department, to Chief Secretary to Government of Madras, dated 8th June 1871, No. 978.

† Paragraph 2.

‡ Paragraph 3.

§ Paragraph 4.

9. I will now proceed to consider the letter* from the Government of India, which appears to me to show that the Government of India was of opinion† that opium was transported through the Madras Presidency, that such traffic should be controlled‡; and that it might be desirable to introduce the Bengal system making possession illegal, and thereby prevent untaxed consumption and evasion of the Malwa export duty. In paragraph§ again the subject of penalizing possession of opium is referred to, and in paragraph 8 it is stated that "I am to impress this point strongly on the attention of the Government of Madras; for it appears to the Governor-General in Council that the subject has not been sufficiently considered, the only recommendation made being for the imposition of import and export duties by land and sea."

Paragraph 7, Under Secretary to Government of India, Financial Department, to Chief Secretary to Government of Madras, 8th June 1871, No. 978.

Deputy Opium Agent, Malwa, to Collector, Sea Customs, Madras, 18th July 1873, No. 425.

10. As regards the remarks that "the estimate of 57,000 chests as the annual produce of Malwa is altogether unreliable," all I can say is, I beg to refer to the letter from the Officiating Deputy Opium Agent in Malwa, and the statement forwarded therewith. What that officer's grounds for forming a correct estimate may be, I do not know, but there is nothing in his letter forwarding it, to show that the estimates are unsatisfactory even approximately so, except that there is a balance unaccounted for. I again wrote on July 7th 1873, to the Malwa Opium Agent, and forward copy of his answer, and statement sent therewith. In the letter and statement he used the expression "probable outturn," and in the Statement, heads columns 1, 2, 3, 6 and 7 with "approximate," adding in a footnote "columns 1, 2, 3, and 7 mere guess."

11. Now I do not know, but cannot [illegible] find out, the constitution and method of working the Malwa Opium Agency, but surely when such an enormous amount of revenue is at stake, as nearly a crore of Rupees annually, the Malwa Opium Agency should be able to show whether the approximate and guess work statements made by it of the quantities of opium produced have any foundation in fact, or not.

12. I cannot help remarking that nothing was said in the first letter or statement about the figures being approximate, or guess work; these words are only used in the second letter and statement.

13. The constitution and system of working of the Malwa Opium Agency is, however, a subject for the consideration of the Government of India, but I would respectfully remark that if it cannot give even an approximately correct return of the number of chests of opium produced in the district under its control, its utility must be very slight indeed.

[illegible]

Paragraphs 3, 4, 5 and 6, my letter to Board, 18th October 1870, No. 982.

* [illegible]

14. I do not think any further proofs are necessary, or can be required that "opium does find its way into the Madras Presidency, and to the Sea coast, and that some is even exported thence to foreign countries." Full details of this traffic has been given by me as regards Madras itself; by other Collectors in numerous letters and reports to the Board, which will be found in the Proceedings of the Board of 24th April 1873, No. 1,606,—by Dr. Cornish*, the Sanitary Commissioner, and probably by the reports now coming into the Board, in answer to their Proceedings of May 18th 1873, No. 816.

15. Since my return to Madras, [illegible] ago, I have received information of numerous cases of opium smuggling, [illegible] I do not give particulars in this letter, as, in the present state of the law, it is [illegible] to detect the smuggling, and I do not wish to give them any information by which they can be avoided.

16. I can, however, safely state, that the illicit traffic in opium has considerably increased during the last two years consequent on the perfect impunity with which the smugglers have carried on their trade, and the *enormous profits* made by them. Matters are becoming daily worse; and unless steps are taken to put a stop to the smuggling now going on, I believe that not only will the Government continue to lose the large surplus of nearly a crore of Rupees, which I firmly believe they ought to collect annually on Malwa opium in addition to the present revenue, but the revenue from that source will begin to decrease.

17. I know for a fact that opium is smuggled on board dhonies and other vessels all along the coast for transport to Ceylon, Burmah and Mauritius, and I believe to the Straits and China. It is smuggled across the frontiers to foreign ports, such as Pondichery and Karikal, and shipped there, and until the law is altered, and a *really effective* and *well paid* preventive service established, smuggling cannot be prevented.

Paragraph 15, letter to Board, 18th October 1870, No. 982.

18. It is a well known and authenticated fact in the history of Customs duties all over the world, that a duty of 20 per cent *ad valorem* on almost any article makes smuggling a very profitable trade. What then must be the inducement when duties, such as that on opium, 600 Rupees on a chest of 150 lb. are imposed. As already stated by me a lb. of opium in Madras costs 3 or 4 Rupees, and sells in the Mauritius and Rangoon for 15 or 17 Rupees,—400 per cent. profit. This one fact alone is sufficient to prove to one, that an enormous amount of smuggling must take place, even if no cases of it had ever been detected.

Paragraphs 3, 4, 5 and 6, of letter of the Under Secretary to Government of India, to Chief Secretary, Madras, 8th June 1871, No. 978.
My letter to Board, 16th September 1868, No. 1,013, paragraph 13.
Do. do. 20th October 1868, No. 1,123.
Do. do. 30th October 1869, No. 1,696, paragraph 23.
Do. do. 18th October 1870, No. 982, paragraph 14.
Board's Proceedings, 12th November 1870, No. 6,516, paragraphs 6 and 7.

19. The Government of India further remarks that the traffic, illicit possession and sale should be controlled, and means are suggested for that purpose. On this point, I can only reiterate the views already expressed by me on several previous occasions, which have been supported by the Board, viz., to prohibit by law the transport by land or sea, possession, and sale of opium without a pass, or license, under very heavy penalties.

20. The Report on the subject of consumption in Madras, called for by the Board, in the same Proceedings, will be sent in a few days.

21. That subject should, I respectfully submit, be taken up separately from those of traffic, possession, and sale, as I believe, had not the subject of consumption unfortunately attracted the notice of the Government of Madras, a law would have been passed a year or two ago controlling the traffic, possession, and sale.

22. I am induced to make this remark, from the general tenor of the letter of the Under Secretary to the Government of India, and to my personal knowledge of the fact that the late Viceroy,—Lord Mayo,—believed that the statements in my letter of October 18th, 1870, were correct, and that legislation was necessary to prevent smuggling, and the consequent enormous loss of revenue.

ENCLOSURE No. 1.

From D. W. R. BURR, Esq., Officiating Deputy Opium Agent, Malwa, to the Collector of Sea Customs House, Madras, dated Indore, 18th July 1873, No. 425.

WITH reference to your letter No. 718, dated 7th instant, I have the honour to forward a statement for the last four years, showing the probable total out-turn crop of Malwa Opium and the number of chests that have been sent to Bombay for exportation and those reserved for Home consumption.

(True Copy.)

(Signed) J. HUNTER-BLAIR,
Collector.

ENCLOSURE No. 2.

Probable Statement showing the total out-turn crops of Malwa Opium and the number of chests that have been sent to Bombay for exportation and those reserved for home consumption.

Years.	Total number of chests produced approximate.	Actual to Bombay for exportation.	Reserved for home consumption in Malwa approximate.	Gujrat approximate.	Berar approximate.	Actual to Kattywar.	Drynage approximate.
—	1	2	3	4	5	6	7
1869-70	60,000	37,854	5,000	5,000	5,000	318	5,000
1870-71	58,000	37,608	5,000	5,000	4,000	402	5,000
1871-72	59,000	37,591	6,000	6,000	6,000	371	5,600
1872-73	60,000	42,683	6,000	4,000	5,000	208	6,000

NOTE.—Columns Nos. 1, 3, 4, 5 and 7 were guesses.

Indore,
18th July 1873.

(Signed) D. W. R. BURR,
Offg. Deputy Opium Agent, Malwa.

(True Copy.)

(Signed) J. HUNTER-BLAIR,
Collector.

12 April/71 No 110-18
15 July/71 - 85-86
17 April/73 - 71-72
16 October/73 - 169-70
16 February/74 - 126-25
1-2-93

Rev 1874 Dept

No. 902.

Proceedings of the
Board of Revenue

Dated 16th
Despd
Recd 18th
} March 1874
Encl. sent to Govt of India
No. 597.

G. O. No. 518 29 April 1874
Letter No. 519 29 "

Subject

Opium — Board's
Proceedings submitting
the replies of Collectors on
the traffic in and consump-
-tion of — in districts.

230.

Revenue Department.

No. 518

PROCEEDINGS *of the* **MADRAS GOVERNMENT,**

Under date the 29th April 1874.

READ the following Pro of the Board of Rev

Subg. the replies of Collectors on the traffic in and consumption of opium in their districts. H. E. 16th March 1874, No. 597

Ordered that copy of the above Pro of the Board of Rev, and the file of the Collectors' reports received therewith be sent to the Govt of India, with reference to their financial letter of 27th March 18

No 2,061.

The subject of
Govr. S. C. Msg. the
Board's Pro: will be
considered in connection
with Board's Pro: of 31st
March 1826 No 25

4110

[illegible]
[illegible]
14 February [illegible]

Regº 230 – 139
[illegible]