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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No. 1649-50 Press
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Dated 14-11-1876 196 .

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
14th November 1876.

No. 187. Read the following Proceedings of the Board of Revenue, dated 27th October 1876, No. 2,076 :—

Read the following Proceedings of the Madras Government, dated 15th August 1876, No. 1,104, Revenue Department :—

ABSTRACT.—Requesting Board to report how far the Excise Returns prescribed by Government of India can be modified so as to suit the circumstances of this Presidency and to admit of comparison of the results of the excise with those of other Presidencies.

IN the foregoing order the Board are directed to modify the forms prescribed by the Government of India so as to adapt them, preserving their general character, to the excise system in force in this Presidency. It appears to the Board that, since the separation of the arrack and toddy rents, the facts of the Madras administration can be exhibited in the forms as they stand without a greater degree of distortion than is inseparable from an attempt to compare systems obtaining in different provinces, and that it is better to submit to this, appending the necessary explanations, than by altering the forms, to make the desired comparison impossible.

2. Form No. I is apparently intended to show the total revenue in whatever shape levied, and to include license fees as well as rents when the revenue is farmed, and shows the number of retail licenses. The revenue is sub-divided into revenue (1) [illegible] beer, and fermented liquors, and (3) drugs. The only [illegible] as to the separation of Madras receipts into these classes is as regards the license fees for shops for the sale of European liquors both in Madras and in the Mofussil. Under these licenses European spirits as well as wines and beer can be sold; but for the purposes of this form, the Board think that the whole fees should be entered under spirit revenue. The licenses for country beer shops are now separate, and the fees will appear under revenue of the second class. The whole amount of license fees for European liquor shops as they are called is only about 16,000 Rupees a year.

3. In specifying the number of retail licenses the object of the forms seems to be to show the number of places at which liquor can be obtained for immediate consumption by the public; and the distinction drawn in the forms between wholesale and retail licenses appears not to correspond with what is understood by the names in this Presidency. The Government of India seem to mean by wholesale licenses those granted to large dealers who do not sell to the public, but supply those who do. There are no such licenses in Madras, though what are called wholesale dealers exist. In Madras they receive no licenses, but are allowed to sell European spirits in quantities not less than twelve bottles, and wines in quantities not less than six bottles. Subject to this restriction they sell liquor to the public for consumption, and it appears to the Board that to carry out the intention of the Government of India, the number of these dealers ought to be included. In the mofussil there are two classes of licenses usually spoken of as wholesale and retail; but the distinction really is between licenses to sell for consumption elsewhere than on the premises and licenses to sell on the premises only. In the former case there is a limit of minimum sale which at present is three bottles. These so-called wholesale dealers also sell to the public for consumption; and therefore it appears to the Board that, so far as the forms under discussion are concerned, the

distinction of wholesale and retail licenses should disappear, and all licensed places of sale and wholesale shops in Madras Town for which abkári licenses are not required should be shown under "retail licenses."

4. As regards Form I there is only one other point to be settled, viz., the way in which the abkári revenue of the Madras Town is to be exhibited. As shown in the finance accounts it is gross, that is to say, it includes the cost of the liquor sold by Government to the shop-keepers; but it seems to the Board that this item, as well as the establishment and other charges of management incurred, should be excluded and only the net revenue exhibited in these statements. The establishment, &c., charges can be rateably distributed in proportion to the gross revenue from spirit and from fermented liquor (toddy), and the net revenue under each class thus arrived at.

5. Subject to these explanations Form I can be filled up as it stands.

6. In Form II the first class in Form I., viz., spirit revenue is further sub-divided into "spirit distilled in India in the European method or imported from abroad" and "country spirit," and Forms III and IV take up these two classes in further detail showing separately revenue from licenses and from still head and import duty according to strength.

7. The distinction here drawn is not real as regards the Madras Presidency. No excise revenue at the full import rate is levied on spirit distilled by the European process. Fees for distillery licenses for manufacture on this process are received; but the license provides that the spirits produced shall be [illegible] officers of Government for the public service, or to [illegible] spirit sold by abkári renters under the exclusive privile[illegible] sale of "country spirits and [illegible] arrack" is in fact distilled by them by the European process. In fact in Madras "country spirit" means nothing more than spirit made in the country. In Form II therefore the only revenue to be shown under the first head is the distillery fees and the revenue from Colombo arrack in the Madras Town, that being spirit imported from abroad. The latter may be considered a still-head duty, and the number of gallons and strength can of course be given.

8. Forms II and III provide for showing duty on and quantity of European spirits imported; of course, the whole of this is not consumed in the Madras Presidency, and, though it is fallacious to take out the incidence of the taxation on it per head of the Madras population, the forms obviously contemplate this being done. The objection must be of greater force in regard to other provinces. Arrangements have been made by the Board for obtaining approximate information as to the consumption of imported spirits in this Presidency; but this will not be available till next year, and even if the Presidency consumption alone is to be shown, the form will not need alteration. In Form III the whole of the license fees for European liquor shops will be entered.

9. Form IV, "Country Spirit," can be filled up with particulars of arrack revenue in the mofussil, and of puttai arrack revenue in Madras. The only alteration which will be needed is the addition of a column under "Amount of Revenue," to be headed "payments to make up guaranteed revenue" and to apply to excise districts. Even this however is perhaps unnecessary, as the exaction of these payments is practically an enhancement of the still head duty, and might be included with the excise duty collected in some districts in the column already provided. There is no license duty on arrack renters' distilleries. The revenue from farmed districts should

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be shown under "Farming or outstills not of fixed capacity. The column "Number of Government Central Distilleries" will be left blank.

10. Form V, which furnishes details as to the materials from which country spirit is distilled, must be left blank as far as Madras is concerned. No information whatever is available on the subject.

11. In Form VI further particulars are provided for as regards the second class "Wine and beer and fermented liquors." As the Board have suggested above the license fees for European liquor shops which include the sale of wine and European beer cannot be separated, and the whole had better be credited to spirit revenue. The only liquors to be dealt with in this form will therefore be toddy and country beer, and the revenue will consist of toddy rents, excise on country beer and beer shop license fees.

12. Forms VII and VIII apply to revenue from drugs, which amounts to only a few rupees in the shape of license fees (which are not obligatory) paid in Madras Town; Such particulars as are available as regards this revenue can be given in their places in these forms.

13. The Board have thus shown that, as regards the future, the forms will answer, without modification, sufficiently nearly for practical purposes; and they hope to be able to fill them up to accompany the next excise report. But the amalgamation of the arrack and toddy revenue, which existed in Fasli 1284, and which is abso[illegible] to the principles on which the forms are designed, renders it quite [illegible]rds Fasli 1284 (1874-75), the period dealt with in the last [illegible]. The Board trust, therefore, that it will be considered sufficient if the statements are furnished from Fasli 1285.

(A true Extract.)

(Signed) H. E. STOKES,
Acting Secretary.

No. 188. ORDER THEREON, 14th November 1876, No. 1,649.

Separate Revenue, No. 11.
Abkari.

ORDERED that these Proceedings be forwarded to the Government of India, and that they be informed that the new forms will be adopted for the returns of Fasli 1285 in the manner indicated by the Board.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

To the Board of Revenue.

Exd. A. Grubert.

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REVENUE DEPARTMENT,
FORT ST. GEORGE,
14th November 1876.

No. 189.

No. 1,650.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

FINANCIAL DEPARTMENT.

Separate Revenue, No. 12.
Abkari.

SIR,—With reference to your letter, 4th August 1876, No. 2,015, I am directed to forward the accompanying Proceedings of the Board of Revenue, and to state that the forms prescribed by the Government of India for showing the results of the Excise Administration will be adopted for the returns of Fasli 1285, *i.e.*, the year ending 30th June 1876. I am to draw attention to the Board's remarks regarding the differences in the mode of administration pursued in this Presidency and that contemplated by the forms, and to state that the Board's proposals seem best under the circumstances brought to notice.

I have the honor to be,
Sir,
Your most obedient servant,
Signed) D. F. CARMICHAEL,
Secretary to Government.

Exd F. R. Bantleman

Financial (1876) Departm

Government of Fort St. George

Dated 14th November 1876. } No. 1,6
Received } Enclos
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D. No. Progs.

D. No. No.

Forwarding Proceedings of the Board of Revenue relating to the prescribed Excise Returns and stating that they will be adopted in Fasli 1285. Drawing attention to the Board's remarks regarding the differences in the mode of administration pursued in this Presidency and that contemplated by the forms.

No. 2,676.

Proceedings of the Board of Revenue, dated 27th October 1876.

Read the following Proceedings of the Madras Government, dated 15th August 1876, No. 1,104, Revenue Department:—

Abstract.—Requesting Board to report how far the Excise Returns prescribed by Government of India can be modified so as to suit the circumstances of this Presidency and to admit of comparison of the results of the excise with those of other Presidencies.

In the foregoing order the Board are directed to modify the forms prescribed by the Government of India so as to adapt them, preserving their general character, to the excise system in force in this Presidency. It appears to the Board that, since the separation of the arrack and toddy rents, the facts of the Madras administration can be exhibited in the forms as they stand without a greater degree of distortion than is inseparable from an attempt to compare systems obtaining in different provinces, and that it is better to submit to this, appending the necessary explanations, than by altering the forms, to make the desired comparison impossible.

2. Form No. I is apparently intended to show the total revenue in whatever shape levied, and to include license fees as well as rents when the revenue is farmed, and shows the number of retail licenses. The revenue is sub-divided into revenue from (1) spirit, (2) wines, beer, and fermented liquors, and (3) drugs. The only difficulty now remaining as to the separation of Madras receipts into these classes is as regards the license fees for shops for the sale of European liquors both in Madras and [illegible]. Under these licenses European spirits as well as wines and [illegible] for the purposes of this form, the Board think that the whole [illegible] under spirit revenue. The licenses for country beer shops [illegible] the fees will appear under revenue of the second class. The wi[illegible]e fees for European liquor shops as they are called is only ab[illegible] rupees a year.

3. In specifying the number of retail licenses the object of the forms seems to be to show the number of places at which liquor can be obtained for immediate consumption by the public; and the distinction drawn in the forms between wholesale and retail licenses appears not to correspond with what is understood by the names in this Presidency. The Government of India seem to mean by wholesale licenses those granted to large dealers who do not sell to the public, but supply those who do. There are no such licenses in Madras, though what are called wholesale dealers exist. In Madras they receive no licenses, but are allowed to sell European spirits in quantities not less than twelve bottles, and wines in quantities not less than six bottles. Subject to this restriction they sell liquor to the public for consumption, and it appears to the Board that to carry out the intention of the Government of India, the number of these dealers ought to be included. In the mofussil there are two classes of licenses usually spoken of as wholesale and retail; but the distinction really is between licenses to sell for consumption elsewhere than on the premises and licenses to sell on the premises only. In the former case there is a limit of minimum sale which at present is three bottles. These so-called wholesale dealers also sell to the public for consumption; and therefore it appears to the Board that, so far as the forms under discussion are concerned, the

distinction of wholesale and retail licenses should disappear, and all licensed places of sale and wholesale shops in Madras Town for which abkári licenses are not required should be shown under "retail licenses."

4. As regards Form I there is only one other point to be settled, viz., the way in which the abkári revenue of the Madras Town is to be exhibited. As shown in the finance accounts it is gross, that is to say, it includes the cost of the liquor sold by Government to the shop-keepers; but it seems to the Board that this item, as well as the establishment and other charges of management incurred, should be excluded and only the net revenue exhibited in these statements. The establishment, &c., charges can be rateably distributed in proportion to the gross revenue from spirit and from fermented liquor (toddy), and the net revenue under each class thus arrived at.

5. Subject to these explanations Form I can be filled up as it stands.

6. In Form II the first class in Form I., viz., spirit revenue is further sub divided into "spirit distilled in India in the European method or imported from abroad" and "country spirit," and Forms III and IV take up these two classes in further detail showing separately revenue from licenses and from still head and import duty according to strength.

7. The distinction here drawn is not real as regards the Madras Presidency. No excise revenue at the full import rate is levied on spirit distilled by the European process. Fees for distillery licenses for manufacture on this process are received; but the license provides that the spirits produced shall be exported by sea, or sold to officers of Government for the public service, or to abkári renters. Much of the spirit sold by abkári renters under the exclusive privileges assigned to them for the sale of "country spirits and arrack" is in fact distilled by them by the European process. In fact in Madras "country spirit" means nothing more than spirit [illegible] the country. In Form II therefore the only revenue to be show[n] is the [illegible]ry fees and the revenue from Colombo arrack in the being spirit imported from abroad. The latter may be conside[red] and the number of gallons and strength can of course be given.

8. Forms II and III provide for showing duty on and quantity of European spirits imported; of course, the whole of this is not consumed in the Madras Presidency, and, though it is fallacious to take out the incidence of the taxation on it per head of the Madras population, the forms obviously contemplate this being done. The objection must be of greater force in regard to other provinces. Arrangements have been made by the Board for obtaining approximate information as to the consumption of imported spirits in this Presidency; but this will not be available till next year, and even if the Presidency consumption alone is to be shown, the form will not need alteration. In Form III the whole of the license fees for European liquor shops will be entered.

9. Form IV, "Country Spirit," can be filled up with particulars of arrack revenue in the mofussil, and of puttai arrack revenue in Madras. The only alteration which will be needed is the addition of a column under "Amount of Revenue," to be headed "payments to make up guaranteed revenue" and to apply to excise districts. Even this however is perhaps unnecessary, as the exaction of these payments is practically an enhancement of the still head duty, and might be included with the excise duty collected in some districts in the column already provided. There is no license duty on arrack renters' distilleries. The revenue from farmed districts should

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be shown under "Farming or outstills not of fixed capacity. The column "Number of Government Central Distilleries" will be left blank.

10. Form V, which furnishes details as to the materials from which country spirit is distilled, must be left blank as far as Madras is concerned. No information whatever is available on the subject.

11. In Form VI further particulars are provided for as regards the second class "Wine and beer and fermented liquors." As the Board have suggested above the license fees for European liquor shops which include the sale of wine and European beer cannot be separated, and the whole had better be credited to spirit revenue. The only liquors to be dealt with in this form will therefore be toddy and country beer, and the revenue will consist of toddy rents, excise on country beer and beer shop license fees.

12. Forms VII and VIII apply to revenue from drugs, which amounts to only a few rupees in the shape of license fees (which are not obligatory) paid in Madras Town; Such particulars as are available as regards this revenue can be given in their places in these forms.

13. The Board have thus shown that, as regards the future, the forms will answer, without modification, sufficiently nearly for practical purposes; and they hope to be able to fill them up to accompany the next excise report. But the amalgamation of the arrack and toddy revenue, which existed in Fasli 1284, and which is absolutely repugnant to the principles on which the forms are designed, renders it quite impossible to do this as regards Fasli 1284 (1874-75), the period dealt with in the last report. The Board trust, therefore, that it will be considered sufficient if the state[ments] [illegible] Fasli 1285.

(A true Extract.)

Acting Secretary.

To the Secretary to Government, Revenue Department.

Exd. A. Grubert.

G.O. 15 Aug/76 No 1424

No 4716

Revenue 1875 Depte

Board of Revenue,
MADRAS.

PROCEEDINGS, 27TH OCTOBER 1876, No. 2,676.

Dept. Bd of Rev. 176

Encl.

Received 7th

OCTOBER.

No. 2,676.

Abkári.—Submitting observations with reference to Government Order directing Board to modify the Excise Returns prescribed by Government of India so as to adapt them to the system in force in this Presidency.

Mr. Hayes

Abkári R. 11 Nov.

No 1649 – 14 November 76

Ordered that these Proceedings &c
be forwarded to the Govt of India & that
they be informed that
the new forms will be adopted
for the returns of Fasli 1285 – commencing
1st October 1876 in the meantime
in use only abroad.

To the Secretary to Govt of India
14 Nov 76 Fwd copy

1650

with reference to your letter dated
August 1876 No 2015 – I am directed
to forward an accompanying proceed-
ings of this Board & to state that the
forms prescribed by the Govt of India
for showing the results of the Excise
administration will be adopted
for the returns of Fasli 1285. I am
to draw attention to the remarks
of the Board regarding the differences under the
administration pursued in this Presidency
& that contemplated by the Govt of India and
to state that the Board would suggest that under
the circumstances the old forms