M.R.O. 1—20,002—12-8-65.

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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue. DEPARTMENT

G.O. No. ~~B.P. No.~~	882	Press ~~Mis.~~
Dated	30. 6. 1876 ~~196~~ .	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
30th June **1876.**

No. 326. Read the following Proceedings of the Board of Revenue, dated 12th June 1876, No. 1,537 :—

Read the following papers :—

From C. T. LONGLEY, Esq., Collector of Salem, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Salem, 25th April 1876, No. 100.

I HAVE the honor to forward the enclosed letter from Messrs. Wilson and Co., stating that the working of the Salem Abkari during the last nine months has resulted in a loss, and requesting to be allowed to pay duty on the number of gallons actually issued from the distillery without reference to the annual guarantee.

2. In February last, Messrs. Wilson and Co. addressed me regarding the illicit sale of toddy and other matters to which they refer in the present petition, and I sent them an answer noticing each point. A copy of my letter is enclosed for the Board's information.

3. As regards the shop at Kondamanaickenputty, I beg to enclose the copy of a letter which I sent to Messrs. Wilson and Co., informing them the grounds on which I declined to allow a shop to be opened there.

4. As to the number of toddy-shops, I should mention that, though 1,593 have been *sanctioned* for the whole district, only 760 are *opened* up to date.

5. I am of opinion that the new system has not worked sufficiently long to arrive at a correct conclusion as to the financial results. It has been in force for only nine months, a good part of which was occupied in preliminaries, such as entering into engagements with shopkeepers, building distillery, godowns, and finding stock, &c., the required quantity of arrack being in the meanwhile procured from the neighbouring district at a heavy cost. The result of the experiment can only be satisfactorily determined by allowing a fair trial for at least a twelve-month, if not longer, as the consumption of liquor varies in the different months of the year, not only with the general character of the season, but also with the consumption of toddy, which is large in certain months only.

ENCLOSURE No. 1.—Petition from Messrs. Wilson and Co.

ENCLOSURE No. 2.—Copy of Petition from Messrs. Wilson and Co.

ENCLOSURES Nos. 3 and 4.—Copy of Collector's letters to Messrs. Wilson and Co.

From C. T. LONGLEY, Esq., Collector of Salem, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Shervaroy Hills, 29th May 1876, No. 125.

I HAVE the honor to forward the enclosed statement, which furnishes the information called for in the Board's Official Memorandum, No. 661, dated 5th instant.

ENCLOSURE No. 1.

Statement showing the Quantity of Arrack issued from the Distillery in the District of Salem from 1st July 1875 to 30th April 1876.

Quantity issued.		Deduct 5 per cent. for wastage and leakage.		Remaining.		Rate.			Amount.			Guaranteed amount.		
G.	D.	G.	D.	G.	D.	RS.	A.	P.	RS.	A.	P.	RS.	A.	P.
90,359	4	4,517	44¼	85,841	7¾	2	8	0	2,14,602	14	5	2,84,166	10	8

SHEVAROY HILLS,
29th May 1876.

(Signed) C. T. LONGLEY,
Collector.

WITH the first of the foregoing letters, the Collector submits an application from Messrs. Wilson and Co., Arrack Renters of the Salem District, for permission to pay duty only on the quantity of arrack actually issued from the distillery without reference to the minimum revenue guaranteed, on the ground that they have sustained considerable loss up to the present time owing to the various causes set forth in their communication, the principal of which is that the competition of toddy has proved more formidable than they anticipated at the time they made their tender.

2. The Board called for a statement of the number of gallons of arrack issued from the distillery up to the end of April and the duty thereon, as compared with the guarantee and the return submitted with the Collector's second letter read above, shows that the duty on the issues for the first ten months of the year falls short of the guaranteed revenue by nearly Rupees 70,000.

3. The complaint as regards the increase in the number of toddy-shops, which is one of the pleas advanced by the renters in support of their request, has already been disposed of in Board's Proceedings, dated 27th August 1875, No. 2,432, copy of which was submitted to Government with the Board's Proceedings, recorded in G.O., dated 26th January 1876, No. 109; and the Board have already stated that they cannot admit that a due increase in the number of toddy-shops, with reference to the public convenience, can be treated as a grievance by the Arrack Renters. Moreover, the Collector states that out of 1,593 toddy-shops sanctioned only 760 have been opened up to date, which is not in excess of the number in existence at the expiration of the last contract—*vide* statement appended to Board's Proceedings, dated 22nd May 1876, No. 1,332.

4. As regards the Collector's refusal to license a shop at Kondamanaickenputty at the foot of the Shevaroy Hills, however, the Renters appear to have a grievance, inasmuch as it was in existence at the time their tender was made and apparently for sometime previously, and was disallowed by the Collector afterwards, so that the Renters' calculations may have been affected to some extent thereby. It would appear that the list of shops was not definitely settled beforehand as was intended; had this been done all uncertainty on this point would have been removed. The expediency of the renewal of a license in any particular locality, however, is a matter for the decision of the Magistrate, and the Board do

not question the correctness of the decision in the present case, but consider that some allowance might fairly have been claimed on this account had the Renters been in a position to act up to the terms of their contract by the payment in full of the guaranteed revenue.

5. Looking to the fact that Government have afforded relief to the Arrack Renters of the Coimbatore District on similar grounds to those now urged, the Board cannot, although adhering to the opinions expressed on that occasion, equitably refuse to submit the present application for such orders as the Government may think fit to pass.

(True Copies and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

No. 327. ORDER THEREON, 30th June 1876, No. 882.

Separate Revenue, No. 38.
Abkari.

THE Government observe that the case of the Salem contractors brought to notice above is analogous to that of the Arrack contractors of Coimbatore, and is, therefore, entitled to the same consideration as the latter. The abnormal conditions which immediately preceded the present separation of the Arrack and Toddy farms in Salem, and under which the use of the mild and natural beverage of the country was reduced to the lowest possible limits in the interests of the Arrack farms, tended doubtless, to a great extent, to convey a wrong idea of the actual profits realisable under a system affording reasonable scope for both. The Arrack contractors are, therefore, justly entitled to relief; and His Grace the Governor in Council resolves to direct that in full satisfaction of all complaints, and on the understanding that the Collector shall be at liberty to provide for the legitimate wants of the people as regards Toddy as he sees best, the applicants shall be allowed to pay for the first eighteen months of their contract on the actual *issues* of Arrack, irrespective of the guarantee, the strict terms of the contract being enforced for the remainder of its currency. The Government agree with the Board that the contractors can have no just cause for complaint on the score of increase in the number of Toddy shops. Not even half the number sanctioned have been opened, and these are not in excess of the number in existence at the expiration of the last contract. The Collector should be instructed to put the Toddy administration on an efficient footing.

(True Extract.)

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

To the Board of Revenue.

Exd. F. R. Bantleman.

REVENUE.

To

THE BOARD OF REVENUE.

Dated June 30th. Recd.

Enclo.

G.O., 30th June 1876, No. 882.

JUNE.

Nos. 326-327.

Abkari of Salem District.—Passing orde on Board's Proceedings submitting applicati from Messrs. Wilson and Co., Arrack Renters, fo permission to pay duty only on quantity of Arra actually issued from distillery without referen to minimum revenue guaranteed.

Statement showing the quantity of arrack issued from the Distillery in the District of Salem from 1st July 1875 to 30th April 1876.

Quantity issued	Deduct 5 per cent for wastage and leakage	Remaining	Rate	Amount	Guaranteed amount	Remarks
G. D.	G. D.	G. D.	Rs. As. P.	Rs. As. P.	Rs. As. P.	
90359 - 4	4,517 - 44¼	85841 - 7¾	2 - 8 - 0	2,14,602 — 14 — 5	2,84,166 - 10 - 8	

Salem Collector's Office
Camp Shervaroy Hills
29th May 1876

(Signed) C. J. Longley
Collector

(True copy)

Acting Secretary
Board of Revenue

Enclosure in Proceedings of the Board of Revenue to the Secretary to Government R.D. 7/12th June/76.

Rc. [illegible]/30

G.O. 30 June/76 No 882

Salem Collector's Office
Salem, 24th February 1876

No. 51

From,
The Collector of Salem

To,
Harry Nash Esqre.
for Messrs. Wilson & Co.

Sir,

With reference to your letter No. 109 of the 16th Instant, I have the honor to inform you that I do not see how any loss could occur to you by the Kondamanaikenpatty arrack shop being closed, as you had no right to calculate on this shop as it was not in the list of shops given to you. The shop was closed by me (for reasons hereafter stated) in 1872, and whilst I was on furlough it was again licensed by the Assistant Collector and Magistrate who was then in charge of the Salem Taluq, but without the knowledge or sanction of the District Magistrate (Mr. Price) who, I have reason to know held the same view as myself in regard to the inadvisability of having a shop at Kondamanaikenputty. It is an isolated village, a mile from the foot of the Hills, and whilst the shop was there, was a source of constant temptation to coolies &c. going up and down the Ghat and a consequent risk to the property entrusted to them. There is an Arrack shop at Comarasamypetty which is 3 miles from the foot, and also a shop near the Sholay at Yercaud, a distance of ten miles from shop to shop. Should it be argued that it is necessary for a traveller to slake his thirst between the two points, I beg to point out that there is an admirable Bowrie lately constructed at the very foot of the Ghât and a new Bowrie has been constructed half way up the Ghât at Gundur.

well

I have &c.
(Signed) C. J. Longley
Collector

(True copy)
(Signed) C. J. Longley
Collector

(True copy)

Acting Secretary

Enclosure in Pro-
-ceedings of the Board of
Revenue to the Secretary
to Government R. D.
of 12th June 1876.

G.O. 30 June/76 No 882

No [illegible]/76

Copy of Salem
Collector's Letter of 24th
February 1876, No 51.

W. J. Lewis

Revenue Department

Proceedings of the Board of Revenue
dated 12th June 1876, No 1537.

Read the following letter,

No 100

From,
The Collector of Salem

To,
The Secretary to the
Board of Revenue
Madras

Sir,

I have the honor to forward the enclosed letter from Messrs Wilson & Co, stating that the working of the Salem Abkarry during the last nine months has resulted in a loss and requesting to be allowed to pay duty on the number of gallons actually issued from the

Distillery, without reference to the annual guarantee

2. In February last Messrs Wilson & Co. addressed me regarding the illicit sale of Toddy and other matters to which they refer in the present petition, and I sent them an answer noticing each point. A copy of my letter is enclosed for the Board's information.

3. As regards the shop at Kondamanaickenputty, I beg to enclose the copy of a letter which I sent to Messrs Wilson & Co. informing them the grounds on which I declined to allow a shop to be opened

opened there

4. As to the number of Toddy shops, I should mention that though 1593 have been *sanctioned* for the whole District, only 760 are *opened* up to date.

5. I am of opinion that the new system has not worked sufficiently long to arrive at a correct conclusion, as to the financial results. It has been in force for only nine months, a good part of which was occupied in preliminaries, such as entering into engagements with shopkeepers, building Distillery, godowns, and finding stock &c., the required quantity of Arrack being, in the

meanwhile, procured from the neighbouring District at a heavy cost. The result of the experiment can only be satisfactorily determined by allowing a fair trial for at least a twelve month, if not longer, as the consumption of liquor varies in the different months of the year, not only with the general character of the season, but also with the consumption of Toddy, which is large in certain months only.

I have &c

Salem Collector's Office, Salem
25th April 1876 } (Signed) C. T. Longley
Collector

No. 125

Salem Collector's Office
Camp Shervaroy Hills
29th May 1876

From
The Collector of Salem

To
The Secretary to the
Board of Revenue, Madras

Sir,

I have the honor to forward the enclosed statement, which furnishes the information called for in the Board's Official Memorandum, No. 661, dated 5th Instant.

I have &c

Salem Collector's Office
Camp Shervaroy Hills
29th May 1876 } (Sd) C. T. Longley
Collector

With the first of the foregoing letters the Collector submits an application from Mess Wilson & Co. Arrack Renters of the Sale

Salem District for permission to pay duty only on the quantity of arrack actually issued from the Distillery without reference to the minimum Revenue guaranteed, on the ground that they have sustained considerable loss up to the present time owing to the various causes set forth in their communication, the principal of which is that the competition of Toddy has proved more formidable than they anticipated at the time they made their tender.

2. The Board called for a statement of the number of gallons of arrack issued from the Distillery up to the end of April and the duty thereon, as compared with the guarantee and the return submitted with the Collector's second letter read above shows that the duty on the issues for the first ten months of the year falls short of the guaranteed revenue by nearly Rupees 70,000.

3. The complaint as regards the increase in the number of Toddy shops which is one of the pleas advanced by the Renters in support of their request has already been disposed of in Board's Proceedings dated 27th August 1875, No. 2432, copy of which wa

was submitted to Government
with the Board's Proceedings
recorded in G. O. dated 26th
January 1876, No. 109 and the
Board have already stated
that they cannot admit that a
due increase in the number
of Toddy shops with reference
to the public convenience can be
treated as a grievance by the
Arrack Renters, moreover the Collector
states that out of 1593 Toddy shops
sanctioned only 76 have been
opened up to date which is not
in excess of the number in existence
at the expiration of the last contract
vide statement appended to
Board's Proceedings dated 22d
May

May 1876, No. 1332.

4. As regards the Collector's
refusal to license a shop at
Koondamanaikenputty at the foot
of the Shevaroy Hills, however,
the Renters appear to have a
grievance, inasmuch as it was
in existence at the time their tender
was made and apparently for
some time previously, and was
disallowed by the Collector
afterwards, so that the Renters'
calculations may have been
affected to some extent thereby.
It would appear that the list of
shops was not definitely settled
beforehand, as was intended -
had this been done all uncertainty
or

on this point would have been removed. The expediency of the renewal of a license in any particular locality, however, is a matter for the decision of the Magistrate and the Board do not question the correctness of the decision in the present case but consider that some allowance might fairly have been claimed on this account had the Renters been in a position to act up to the terms of their contract by the payment in full of the guaranteed revenue.

5. Looking to the fact that Government have afforded relief to the Arrack Renters of the Coimbatore District on similar grounds to those now urged, the Board cannot although adhering to the opinions expressed on that occasion equitably refuse to submit the present application for such orders as the Government may think fit to pass.

(True copies & Extract)

Acting Secretary

To,
The Secretary to Government
Revenue Department
with 2 original enclosures to be returned & copies of two others.

nd Geo Locke

Cd MN

Go 26 Jany/76 Nos 219-20
— 18 Feby/76 — 232-33
— 9 June/76 — 761.

No 2407
Revenue 1876 Depart.

Proceedings of the
Board of Revenue

S.O. No. 882 - 30 June 1876

Dated 12th June 1876
Despd 12
Recd 16th [illegible]
& Ords

Abkari of Salem Dist. — Submitting for orders of Govt. application from Messrs Wilson & Co. arrack renters, for permission to pay duty only on quantity of arrack actually issued from distillery without reference to minimum revenue guaranteed.

No 326

C. 17 June/76 R 27 June

REVENUE DEPARTMENT.

No. 2407.

Pros: Bd. of Rev: .

Dated 12: June 1876.

FOR ORDERS.

This is a case analogous to that of Coimbatore (Vide Progs: of Govt: 18th Feby/76 No 244 and notes of members) and I think that similar reasonable relief should be conceded

In Salem we have an area of 7,500 Sq: Miles with 4,021 Villages

—12 of which have more than 5,000 inhabitants 51 more than 2,000, and 211 more than 1000 inhabitants — Exclusive of municipalities and 2 millions of inhabitants.

The Case of Salem was a typical one of the Evils of letting the whole liquor farm to the Same individual. At one time the Distillers boldly and openly withheld Entirely their licenses of Toddy-shops — and made the use of the mild & natural beverage of the Country - absolutely illegal in favour of their distilled Spirit. They then forced drunkenness of the worst kind on the people almost without limit. ; and although some concession was obtained, the repression of the use of Toddy and forcing of Arrack on the inhabitants obtained up to the close of the last Contract in a most oppressive and injurious manner

The Separation was designed to remove the Evil and it was intended to license 1,600 Toddyshops for the

the whole District. – not one to Every two villages – or perhaps, taking towns into Consideration, not one to Every three or four rural villages – Even this arrangement is in no way inadequate – But it appears that Scarcely one-half of the authorized toddy shops have ~~scarcely~~ been opened. The administration of the toddy is therefore defective as regards supply and reasonable liberty of this well-peopled Country.

C. 17: June/70 Perhaps

Abkari of Salem

FOR ORDERS.

Perhaps the Collector has been cautious in the interest of the arrack Contractors. But we have no Complaint from the Toddy Contractors who possibly are making a good thing of it and are perhaps fostering unlicensed brew *sub rosa*. The people are the losers – but the arrack Contractors have no reasonable Complaint.

In the meantime

the Distillers (Experimented) are Suffering from the reasonable liberty given – It is Scarcely necessary to notice the minor Causes of Complaint, which are more or less well-founded – & they should have relief. They appear to have made the calculation as to the probable minimum consumption with care, but the abnormal condition immediately preceding the change, made

made such calculation Either by the State or the Contractor very uncertain – They have proved Seriously fallacious and great loss is likely to occur to good men unless reasonable relief be afforded. The Contractors have gone into the business in an Enterprising way and no Complaint of remissness of administration is alleged against them.

There

I observe that there will be no effective loss of previous revenue (Para 9 of Messrs. Wilson & Co's letter) but rather on the whole increase even if the relief prayed for be given. The loss will be confined to a part of the increase guaranteed by the Contractor on fallacious expectations and accepted by Govt: in "default of better means of judging".

I would give the same relief, under the same conditions, as in Coimbatore and allow them to pay for the Farm commencing in July next on the actual issues irrespective of the guarantee.

19/6 W.S.

Now direct the Collr that the Estg admi-nistration on an efficient footing — this will greatly benefit present Contractors but will react in the form of higher rents on the next occasion of sale

19/6 W.S.

I would treat the Salem contractors in the same manner as the Coimbatore contractors. It was scarcely possible that an exact estimate of consumption in a district, influenced as it was by a first extension of the sale of toddy, could, on the first occasion, be determined.

The contractors are highly respectable men - they seem to have behaved well & they are deserving of much consideration. [illegible]

25/6

C- 17: June /76 R 27: June

Abkari Contract Salem Dt

2407

No 882 d/30: June 1876

Read Board's Proceedings d/12: June 1876 No (2407).

The Government observe that the case of the Salem contractors brought to notice above, is analogous to that of the arrack contractors of Coimbatore & is therefore entitled to the same consideration as the latter. The abnormal conditions which immediately preceded the present separation of the arrack & toddy farms in Salem & under which the use of the mild & natural beverage of the country was reduced to the lowest possible limits in the interests of the Arrack farms tended doubtless to a great extent to convey a wrong idea of the actual profits realizable under a system affording reasonable scope for both. The Arrack contractors are therefore justly entitled to relief, & His Grace the Governor in Council resolves to direct that in full satisfaction of all complaints & on the understanding that the Collector shall be at liberty to provide for the legitimate wants of the people as regards Toddy as he sees best, the applicants shall be allowed to pay for the first eighteen months of their contract on the actual issues of arrack irrespective of the guarantee, the strict terms of the contract being enforced for the remainder of its currency. The Government agree with the Board that the contractors can have no just

Note

The Hon'ble Sir W. Robinson [illegible] says that payment on issues should be allowed from July 1875, but the other members consider that the same order as in case of Coimbatore should be issued — This has been drafted with reference to the opinion of the majority.

482/76

cause for complaint on the score of increase in the number of Toddy shops. Not even half the number sanctioned have been opened & these are not in excess of the number in existence at the expiration of the last contract. The Collector should be instructed to put the Toddy administration on an efficient footing.

Fair copy to the Board of Rev. on 20 June 1876
14 Corrected copies on 17 July

150/13

29.6.76