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(3) Initials of the Referencer

MADRAS RECORD OFFICE

Government of Madras

Revenue DEPARTMENT

G.O. No. 3250. ~~Press~~
B.P. ~~No.~~ Mis.

Dated 27th May 1890. 1890.

Not to be folded or roughly handled

No. 2053.

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

SEPARATE REVENUE.

Excise.

Simla, the 1 April 1890.

READ the following Despatch

No. 25 (Revenue) dated 27th March 1890.

From—The Secretary of State for India,

To—The Government of India.

I have considered in Council Your Excellency's letter No. 29 (Separate Revenue), dated the 4th February, with enclosures, concerning the excise administration in different parts of India. When I forwarded a copy of the Resolution passed by the House of Commons on the 30th April 1889, I expressed my belief that the Government of India and the Local Governments accepted and were carrying out the principles recited in my Despatches, and approved by the House of Commons, for the guidance of all authorities concerned with excise affairs in India. The full and interesting accounts contained in your present letter and in the enclosed papers confirm the view taken in my Despatch of the 16th May 1889. The detailed information now furnished places in important particulars a different complexion on some of the matters mentioned during the debate in the House of Commons on the 30th April; and steps have already been taken to procure the presentation of these papers to Parliament.

2. I shall not trouble Your Excellency with a detailed review of all the many topics discussed in your comprehensive letter, which affords valuable evidence of the careful consideration given, both recently and in past times, by the Government of India and by the subordinate Governments to the intricate problems of Indian Excise Administration. I consider these papers demonstrate, among other things,—

(1) that total prohibition of all traffic in intoxicating spirits and liquors is not possible in India:

(2) that, while absolute local option in excise matters is not feasible, weight can be, should be, and is given to local opinion in regard to licensing liquor shops:

(3) that the only practicable way of repressing intemperance among the drinking classes of India is to restrict opportunities for drinking, and to levy on intoxicants as high a revenue as may be possible without promoting smuggling:

(4) that by reason of the circumstances of the country, and according to actual experience in many parts, illicit dealings in, and consumption of, liquor occur when vigilance is relaxed, or when restrictions on lawful trade are pressed too far:

(5) that diversities of circumstances and of tastes in the many countries which compose India render differences of practice and of results in the several provinces unavoidable, even though the same principles are everywhere followed:

(6) that, so far as information is available, the excise system or practice of Native States is less stringent, and tends less to check intemperance than the system and practice of adjacent British districts with similar inhabitants:

(7) that the increase of the excise revenue during the past 20 years, though in part due to enhanced consumption caused by the growth of population and by the general increase of earnings, is, to a large ly—and in some localities mainly—the result of improved excise administration, which doubled or trebled the rates of liquor duty, and has at the same time restricted the use of illicit intoxicants:

(8) that there has been of late years much reduction in the number of licensed liquor shops, notably in Bengal, where there are now 4,539 licensed spirit

shops as compared wit
room for further reduc

(9) that the action of India
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3. I fully accept the general pri
lency's letter as those which should g
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03rd paragraph of Your Excel-
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REVENUE DEPARTMENT MAY 30

M.T. Finlay

Depy. Secy. to the Govt. of India.

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

SEPARATE REVENUE.
Excise.

To

ALL LOCAL GOVERNMENTS AND ADMINISTRATIONS.

No. 2053.

Dated Simla, the 26th April 1890.

Secretary of State's reply to the Despatch defending the excise policy of the Government of India.

[G. C. F.]
G. C. Press, Simla.—No. 87 C. F.—25-4-90—530.