

Revenue (1897) Department.

PRESS SERIES.

G.O., No. 132.

DATED 1st March 1897.

[Despatch Abstract.]

Distillery Establishment.

Passing orders on the proposals of the Board
of Rev. for the improvement of — in the Madras
Presidency.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
	2077		13-5-98		2078		13-5-98

CURRENT No.



From the Secretary of the Commission of
Salt, Hokkaido and Separate Avenue

Order

Press No. 492

Dated 8th December 1896

Received 12 - 12 - 25

Registered 27 - - 65 26

Enclosures

Spare copies

SUBJECT

SUBJECT

Submitting to Government proposals
for the improvement of distillery
establishments in the Madras
Presidency.

BACK PAPERS.

G.O.	No.	Department.	Date.
10	59578	3-12-95	
	2778		

FURTHER PAPERS.

G.O.	No.	Department.	Date.
10	59578		
2078			
13-5-98			

A

Extract from Mr. Brunette's article
of agreement

9. That if the party of the first part shall observe and comply with all the provisions of these presents there shall be paid to him for such a time as he shall be in the service and actually perform his duties a salary at and after the rates following, viz eight hundred rupees per mensem rising by annual increments of twenty five rupees per mensem to one thousand rupees per mensem and then rising by increments of fifty rupees per mensem to one thousand three hundred rupees per mensem but that in the event of his temporary absence from duty by reason of sickness or on leave or otherwise, he shall be paid such salary only as shall be determined by the rules from time to time in force in the Department to which he shall for the time being belong. No such alteration or increase in the ^{rate of} salary shall be made at the end of the first or any other year, unless and until the officer under whom he may be placed shall certify that he has performed his duties to the satisfaction of such officer

10. That the salary from time to time payable to the party of the first part shall be payable monthly in India commencing from the third November one thousand eight hundred and ninety six and ceasing on the day of his quitting the service or on the day of his discharge thereupon or the day of his death if he shall die whilst therein. And he shall also be entitled to travelling allowances according to the rules and to the benefit of the exchange compensation ~~allowances~~ rules from time to time in force.

BOARD OF REVENUE (SEPARATE REVENUE), No. 492, 8TH DECEMBER 1896.

PROCEEDINGS OF THE BOARD OF REVENUE.
(SEPARATE REVENUE).

READ—G.O., Mis. No. 3963, Revenue, dated 3rd October 1896.

RESOLUTION—No. 492, dated 8th December 1896.

Now that the appointment of an expert in distillery matters has been made, the Board begs to submit the proposals for the improvement of distillery establishments referred to in the Government Order read above. They necessarily are only of a temporary nature, as, until Mr. Bennett has made himself acquainted with all the distilleries and some decision has been arrived at as to what standard of perfection can reasonably be worked up to at first, it will be impossible to settle such important questions as when and subject to what restrictions night distillation can be allowed—a point which affects the question of establishment most materially. Before dealing with the proposed increases, however, it will be convenient to ask for the orders of Government on certain matters connected with Mr. Bennett's appointment.

2. As his pay appears to have been fixed at Rs. 1,200 per mensem, the Board considers that he should be regarded as of the same status as a Deputy Commissioner and begs to suggest that he should be known as the Deputy Commissioner of Abkari. Deputy Commissioner of Excise would perhaps be more appropriate at present, but, as he will eventually in all probability devote a share of his attention to other Abkari subjects, the more general designation is suggested. The name "Supervisor of Distilleries" has been made use of in connection with the appointment, but considering the position occupied by Supervisors in the Public Works Department it would hardly be appropriate.

3. It is presumed that the travelling allowance which he will draw has been determined by the Secretary of State and will be communicated in due course. His head-quarters may be fixed at Madras for account purposes.

4. Mr. Bennett will have but little to do at first except make himself acquainted with the distilleries and deal with a few technical questions regarding wastages and the like. The Board considers that one clerk of the same standing as a Deputy Commissioner's circuit clerk should therefore suffice for his clerical establishment for the present and recommends that Rs. 60 per mensem should be fixed as his pay. Though his work will be trifling at first, it is necessary that he should be an intelligent man of some standing and experience, and a clerk of the sort willing to travel all over the Presidency can hardly be obtained for less. Mr. Bennett might have the same establishment of peons as a Deputy Commissioner, one duffadar on Rs. 10, three peons on Rs. 8 and three on Rs. 7 each.

5. In G.O., No. 277, Revenue, dated 22nd June 1896, the following additional establishment was sanctioned for the Nellikuppam distillery:—

One Inspector,
One Petty officer and
Nine Peons.

This leaves the Nellikuppam establishment on a satisfactory basis, but the Board does not see its way towards making general proposals of a satisfactory nature on the same lines, as the distilleries in which the present staff is least adequate for the protection of the revenue are for the most part the smaller ones (such as Coimbatore and

Tachanallur) which are located in buildings not originally designed for the purpose and which could not be satisfactorily adapted for it by anything short of almost complete reconstruction. It is in these distilleries that the risks are greatest, but economy renders it impossible to provide them with an officer of higher standing than an Assistant Inspector. It therefore considers that the best principle to adopt will be to make the numerical strength of the establishment allotted to each distillery depend on the volume of work to be got through, and obtain the additional security to the revenue desired by placing them in groups under selected Inspectors, who will assume charge of each unexpectedly from time to time under the orders of the Abkari Deputy Commissioner. In other words, each distillery should have a staff of Assistant Inspectors and Sub-Inspectors sufficient to allow of work being carried on in a thoroughly efficient style, but each would come unexpectedly under the charge of an expert Inspector two or three times a year for a period of a month or so at a time. The services of the officer temporarily displaced the Board would utilize for the check of consignments in transit by rail. This would enable it to dispense with the present ineffectual examination of consignments by Revenue Inspectors in most cases—a subject of general complaint amongst Collectors—and would afford a most wholesome check on the accuracy of the work of all Distillery officers who would never know when a consignment might not be proved and gauged by a thoroughly competent officer while in transit.

6. In order to carry out the above proposals the Board would divide the Presidency into three Distillery Circles as follows:—

Northern Circle.

Aska distillery.	Bandur Excise depôt.
Vizagapatam distillery.	Bellary two distilleries.
Bezwada Excise depôt.	Tadpatri distillery.

Central Circle.

Renigunta distillery.	Suramangalam distillery. (a)
Arkonam warehouse (bonded).	Coimbatore do.
Ranipettai distillery.	Aravanghat do.

Southern Circle.

Madras two distilleries.	Tanjore two warehouses (bonded).
Nellikuppam distillery.	Tinnevely two distilleries. (b)

7. As stated above an Inspector has already been provided for the Nellikuppam distillery. The Board would put him in charge of the Southern Circle which would leave only the Northern and Central Circles to be provided with Circle officers. The Inspector of the Southern Circle would no longer be available for continuous work at Nellikuppam, and, to allow of the heavy duties of that distillery being properly performed, it would be necessary that the establishment should be strengthened by the addition of an Assistant Inspector. The transactions at Ranipettai are almost as heavy as those of Nellikuppam and the Board does not consider that the duty of making supervision over such a large concern. It would appoint an additional Assistant Inspector here also. The distilleries in the Northern Circle are all small and only require additional Sub-Inspectors chiefly in connection with night work as explained below. Two Inspectors on Rs. 250 and two Assistant Inspectors on the average rate of pay might be sanctioned temporarily, pending revision of the proposals, if necessary, after the Abkari Deputy Commissioner has had time to frame fresh ones if the Board's views are accepted.

8. The following statement shows the present and proposed strength of the establishment at each distillery. The reasons for considering an increase necessary are detailed below.

(a) Will probably be closed soon.

(b) A second distillery will shortly be established here.

Distillery, excise depôt or warehouse.	Present establishment.						Proposed establishment.							
	Inspectors.	Assistant Inspectors.	Sub-Inspectors.	Clerks.	Petty officers.	Peons.	Cost per mensem.	Inspectors.	Assistant Inspectors.	Sub-Inspectors.	Clerks.	Petty officers.	Peons.	Cost per mensem.
							RS.							RS.
Northern Circle	..	..	..	..	..	2	164	1	..	1	1	..	..	250
Aska distillery	..	1	..	..	..	2	164	..	1	1	..	..	4	221
Vizagapatam distillery ..	..	1	..	..	..	2	164	..	1	1	..	..	4	221
Bezwada Excise depôt ..	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Bandur Excise depôt ..	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Bellary, Messrs. Abraham and Company's distillery.	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Bellary, Messrs. Veerabhadra and Company's distillery.	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Tadpatri distillery	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Central Circle	..	..	..	..	..	2	164	1	..	1	..	..	3	250
Renigunta distillery	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Arkonam warehouse	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Ranipettai distillery	..	1	2	..	..	6	278	..	2	..	..	1	8	368
Suramangalam distillery ..	..	1	1	..	..	4	221	..	1	1	..	..	4	221
Coimbatore do.	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Aravanghat do.	..	1	..	..	..	2	(c) 203	..	1	..	..	..	2	203
Southern Circle	..	..	..	..	..	..	..	1	..	..	..	..	..	250
Tondiarpet distillery	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Vysaripadi (Eden) distillery.	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Nellikuppam distillery ..	(a) 1	1	..	(b) 1	1	12	521	..	2	..	1	1	12	421
Tanjore warehouse (The Arcot sugar works and distilleries Company).	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Tanjore warehouse (Messrs. Parry and Company).	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Tachanallur distillery	..	1	..	..	..	2	164	..	1	1	..	..	3	214
Mangalore do.	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Cannanore do.	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Tiruvangore do.	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Calicut excise depôt	..	..	1	..	..	2	57	..	..	1	..	..	2	57
Chowghat distillery	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Parli distillery	..	1	..	..	..	2	164	..	1	..	..	..	2	164
Total	1	19	9	1	1	66	4,025	3	21	16	1	2	79	5,229 + 1,204
Sanctioned strength	(a) 1	21	(d) 8	(b) 1	20	82	..	..	..	..	..	..	..	..

9. *Aska distillery.*—The proposed increase here is one Sub-Inspector and two peons. The buildings are not compact and while the Distillery officer is in the warehouse he knows nothing of what is going on elsewhere. Distillation lasts throughout the day, so that there is no supervision when the Distillery officer goes home to his meals. The issues from the distillery are about 55,500 gallons proof per annum.

10. *Vizagapatam distillery.*—The increase proposed here is also a Sub-Inspector and two peons. The issues from the distillery are about 85,000 gallons proof per annum. Work goes on from the early morning until 6 or 7 p.m., and the Distillery officer is consequently not always on the spot during working hours.

11. *Bellary—Messrs. Abraham & Co.'s distillery.*—An additional Sub-Inspector and one peon are asked for here. The distillery is a very unsatisfactory one in every way and needs careful watching. The still is charged over night and the fires are lighted at 1 A.M. Distillation is not completed till near sunset. A great deal of the work consequently goes on without any supervision. The issues are, however, small,—only 11,200 proof gallons per annum. The additional establishment is necessary here owing to the faulty nature of the plant and buildings, and the distillers might fairly be required to pay for it. The Board thinks, however, that it will be better to bear the cost and warn the distillers that they must not regard the concession as anything

(a) In the fourth grade temporary for one year.
(c) Inclusive of local allowance.

(b) On Rs. 25.
(d) Sub-Inspectors entertained at warehouses not included.

but a temporary one. They will probably be required to make very extensive alterations next year and the Board thinks it will be good policy not to press too heavily on small distilleries, lest their owners should abandon them or sell them to the owners of the larger concerns. There is a considerable risk of a monopoly being established at present which would be very detrimental to the revenue.

12. *Bellary—Messrs. Veerabadrappa & Co.'s distillery—and the Tadipatri distillery.*—The remarks with regard to Messrs. Abraham & Co.'s distillery apply to these also. A similar increase is asked for for each of them.

13. *Rénigunta distillery.*—This distillery was established in April 1896 and the issues, up to date, have been about 18,000 proof gallons. The arrangements are not altogether satisfactory and the entertainment of an additional Sub-Inspector and a peon is recommended.

14. *Ranipettai distillery.*—The issues here are about 200,000 gallons proof and will probably increase rapidly now that the Company can supply molasses practically free of charge on the spot. An additional Assistant Inspector has been asked for above. The subordinate establishment should be reinforced by the addition of a potty officer and two peons.

15. *Súramangalam distillery.*—This will probably be closed ere long. No extra establishment is therefore required here.

16. *Coimbatore distillery.*—This is a most unsatisfactory distillery in every way and, in the opinion of the Board, probably about the most dangerous in the Presidency. The stills have all to be charged by hand under most unfavourable circumstances and much supervision is required. The addition of a Sub-Inspector and a peon to the present strength is recommended.

17. *Aravanghat distillery.*—Transactions here are on a very small scale. The present staff will suffice.

18. *Tondiarpet distillery.*—The issues here are about 82,200 gallons proof per annum. Work goes on all day and is arranged for by deputing one of the Madras Town Sub-Inspectors to unlock the wash-room, etc., in the morning before the arrival of the Distillery officer. This is a very unsatisfactory way of working and the Board thinks that an additional Sub-Inspector and one peon should be allowed.

19. *Eden distillery.*—This is a new and fairly secure distillery with a continuous still. The Board thinks that no additional establishment is required here.

20. *Tachanallur distillery.*—This is much the same class of distillery as Coimbatore. Its annual issues are about 60,000 gallons proof. The building is a most unsatisfactory one and work has to commence at a very early hour in the morning. The Board recommends an additional Sub-Inspector and one peon.

21. It is not proposed to improve the establishments of the West Coast distilleries. The revenue involved there is smaller and the difficulties in the way of improvements in Excise management due to the fact that the distilleries are only temporary concerns are enormous. It appears to the Board that it would be a waste of money to add to the establishments of such distilleries at a date when, owing to the approaching termination of the contract, it is impossible to insist on the internal arrangements being improved at the same time.

22. With regard to the question of by whom the cost of these additional establishments should be borne, the Board begs to call attention to paragraph 2 of its Proceedings, Mis. No. 3931, dated 16th September 1896. It considers that in the case of the larger distilleries Government must expect to have to provide an establishment to some extent commensurate with the revenue collected. In the smaller ones, it would be justified in throwing the additional cost due to imperfect plant, unsuitable buildings or night work intended to increase the outturn of inadequate stills on the distillers. It would, however, in its opinion, be improper to do so at present. Many of the smaller distilleries are located in buildings which never were intended for the purpose and are totally unsuitable from a revenue point of view, and radical changes require to be made both in buildings and plant if they are to be brought up to the reasonable requirements of the present time. The owners are consequently certain to be severely pressed in meeting the demands of the department

for expensive improvements in the immediate future and care must be taken that the burden laid upon them is not made too heavy. Their existence as a check on the charges of the two large distilleries is of the greatest importance to the revenue and no risk of killing them out should be incurred.

23. The Board has referred above to the possibility of utilizing the services of the Assistant Inspectors who will be temporarily displaced from distillery charge by the Inspectors taking over their work in checking consignments in transit. When the department first assumed charge of the Abkari Revenue, the system of checking all consignments on arrival at their destinations was introduced chiefly in the interests of the farmers through whose vend areas they passed. It also served as some check on spirits consigned through higher excise duty areas to lower duty ones. The sale of vend rights by independent shops and the equalization of the rates of duty throughout the greater part of the Presidency have rendered the system only partially applicable to the requirements of the present day, and where it is still in force Collectors complain loudly of the loss of time it entails on the Land Revenue officers by whom the work of checking is done. The Board also believes that ignorance and want of care and intelligence make the check practically useless when applied. It therefore proposes to dispense with it and substitute occasional check of spirits in transit by the Distillery Assistant Inspectors off duty. Nearly eight-ninths of the total issues from distilleries are now distributed through wholesale vend depôts and a very large proportion of the supplies of the latter are probably consigned to a comparatively small number of stations. In some cases also transshipment from a broad to a narrow gauge railway is necessary, and such stations as Chingleput and Guntakal would be excellent points for stationing an Assistant Inspector for a few days. It would be necessary to secure the co-operation of the railways, but with this and a little experience the Board believes it should be possible for the Abkari Deputy Commissioner to post the Assistant Inspectors off duty at uncertain points at which a fair number of consignments would come daily under their examination and be subjected to a thorough check which would be an invaluable test of the work of all distillery officers concerned. It is unable to go into details at present as to how this could best be done, but it would probably find it advisable to have a brief daily list of consignments submitted to the Abkari Deputy Commissioner's office from every distillery for tabulation there. This would enable the Abkari Deputy Commissioner to give his orders to the Assistant Inspectors by post or by wire, if necessary. Assistant Inspectors could also ascertain what consignments are in motion along the line by examining the permits in the possession of the guards and follow them up or accompany them to their destinations. Consignments going otherwise than by rail are now rare. These the Board would have checked as at present. It would also adhere to the present rule in the case of spirits from higher to lower taxed areas.

24. In conclusion the Board begs to call attention to the transactions of the bonded warehouses in Madras and to suggest that these should also be placed under the supervision of the Abkari Deputy Commissioner. The collections of duty during the past three years are as follows:—

Year.	RS.	A.	P.
1893-94	3,51,450	1	0
1894-95	4,08,588	13	3
1895-96	4,45,698	11	10

This large revenue is at present under the charge of a Supervisor on Rs. 175 + Rs. 25 carriage allowance. The Board doubts whether the pay is sufficient and considers that the charge is more fitted for the services of an Inspector.

(True Extract.)

(Signed) N. S. BRODIE,
Ag. Secretary.

(True Copy.)

Assistant Secretary.

To the Secretary to Government, Revenue Department.
Ed. T. E. Narayana Aiyangar.

REVENUE DEPARTMENT.

1896.

Board of Revenue

(Separate Revenue),

MADRAS.

Printed December th.

Proceedings, No. 492, 8th December 1896.

Submitting to Government proposals for the improvement of distillery establishments in the Madras Presidency.

D 1,000-11-8-96.

REVENUE DEPARTMENT.

Note: connected with G.O. No. 132 (Rev. 1-3-97)
e-No-9339 of 1896.

[Subject - Scheme of Distillery Control]

Prop. of Board of Rev (S. R.) No. 492

Dated 8-12-1896.

FOR ORDERS.

Mr. Hon. Mr. Oslin C. D. C.

1. The Board of Rev makes the following suggestions in connection with the officer appointed for the supervision of distilleries and distillery establishments.

2. The proposals are: —

(i) That Mr. Bennett may be designated "Deputy Commr. of Adkain". The expressions "Deputy Commr. of Esina" and "Supervisor of Distilleries" are rejected by the Bd and as suitable. The statement of the Bd and that Mr. Bennett's pay has been fixed at Rs 1,200 per mensem is not quite correct. The starting pay is only Rs 800 as shown in the marginal extract from Mr. Bennett's articles of agreement. The question of his 7, a also is dealt with in the same.

(ii) That Madras may be fixed as his head quarters.

(iii) That he may be given an establishment of one clerk on Rs 60, one duffadar on Rs 10, three peons on Rs 8 and three more on Rs 7.

These proposals may, if submitted, be approved.

Yes
H

Butter point that
H

From here will suffice as he should not have much or any, but pitching - progressively he must be able to use 10 cents.
H

C. 24/12
1897

3. As regards distilleries, the Board proposes to divide the Presidency into three distillery circles, each under the charge of an expert Inspector whose duty it will be to arrange change of each distillery unexpectedly from time to time under Mr. Bennett's orders. While each distillery will have its own staff of Govl. Officers, it will come unexpectedly under the charge of the Circle Inspector twice or thrice a month or year for a period of a month, or so at a time. For this purpose it is proposed to utilise the services of the Inspr attached to the Nellikuppam distillery and to appoint two officers of the same class.

4. The following subordinate establishments are also required by the Board: —

- (i) Two Assistant Inspectors — one to take the place of the Inspr now at Nellikuppam and the other to exercise adequate general control at Ranipet.
- (ii) Seven Sub Inspectors, 8 Petty Officers, and 13 peons.

The Board proposes that the Inspectors and Assistant Inspectors may be appointed temporarily for the present. The changes proposed in the case of each distillery are shown in the statement on page 3 of the current, and the necessary explanations are given on pages 3 & 4. These proposals also may be approved.

5. The Board does not recommend that the cost of the additional establishments should be

I think that some such arrangements as the H^d proposes will be practically unnecessary. The new Inspr. Mr. Bennett, however, has suggested the 4th grade as shown in p. 3 of the H^d, but of different grades according to the established proportions, in which I have often insisted, but which everyone seems to forget. It will also be necessary, if these officers are to have extensive charges, to give them some special local allowances as compensation — I don't like the proposal of two A. I. S. to one distillery. It is almost certain not to work well.

More immediate objection, however, to the H^d's scheme is that it is premature. If it is adopted, it must be years before we can get a body of officers thoroughly competent to supervise distilleries, ~~by~~ after separate individual instruction of the H^d Cons. This is, I consider, the first requisite, and to this end I think that, after Mr. Bennett has been some 5 or 6 years many distilleries as the H^d think he has thus fully acquainted himself with the general conditions, the next step should be to organize distillery schools for such despatch as possible and sub Inspr. on the line of promotion to assist him, as the H^d thinks but omitted to distilleries instruction chiefly to profit by it. I don't know how many officers at a time Mr. Bennett could undertake to put through the mill, but I think that any such batch of officers should be under instruction — I think the course should be partly theoretical & partly practical. The

FOR ORDERS.

D 1,000-11-6-96.

REVENUE DEPARTMENT.

Theoretical instruction might be given either at Madras or at any other station ^{From the H^d proposed.} For instance, there is Calcutta where there are suitable buildings now occupied by the Police school, but which the Police may just leave all the year round. The practical course should of course be in such a distillery & distilleries as the H^d may think best adapted for the purpose. The opinion of the H^d should be asked if it appears it should draw out a scheme for the school in consultation with Mr. Bennett in the same way as Mr. Hambrick has done for the Police school, and the understanding that tempt of officers will be allowed in the place of the officers sent to the school.

If this plan is carried out, the H^d's scheme may then follow with real advantage, as it causes all hands engaged on it to have their work. ^{As stated S. I. S. become well able to be put to distilleries as Inspr. by the H^d.}

1/12/96
1/12/96
1/12/96

No

Dated

189

FOR ORDERS.

Change changed to the business distilleries. In the case of the larger ones the Board think that the Govt is bound to maintain an establishment commensurate with the revenue collected. In the case of the others, the cost of the additional establishment may be charged, but it is not expedient to do so, as every effort should be made to keep them working as a check on the two large distilleries at Nellikuppam and Ranipet. This view appears to be reasonable.

6. It was stated above that each distillery should be in charge of an Inspector for a month or so at a time, displacing the current Inspr. in charge. The Board proposed to utilise the latter officer in checking consignments of spirits in transit. The method suggested for this purpose is described in para 23 of the current. It was also stated before the present system of checking consignments on arrival as their destinations will be retained, when they go otherwise than by rail and when

the spirits are forwarded from higher to lower
 taxed areas. There is one point on which the Board's
 view is not clear. Under rule 57 of Distillery rules
 as page 7 of G.O. no 364 dated 27-4-1891 spirits
 may be transported under bond to another distillery
 on one house, and under rule 60 the transporter
 has to account for the same. In these cases, the
 consignments must, it is presumed, be checked,
 and no alterations in the existing practice are to be made.

7. Finally the Board suggests that the bonded
 warehouses in Madras should be placed under
 an Inspector and under the supervision of the proposed
 Atkari by law.

KD
 24/1/97

25/1/97

FOR ORDERS.

Print Sharp

The Hon. Mr. Bliss C.J.E.
 The Hon. Mr. Goss C.J.E.

40 G.O. No. 9329 of 96.
 (G.O. No. 12)
 G.O. No. 132 d/1st March 1897

The Board's proposals regard-
 ing the designation and head quar-
 ters of the officer recently appoint-
 ed for the supervision of distil-
 leries are approved. Its statement
 that Mr. Bennett's pay has been fix-
 ed at Rs. 1,200 per mensem is not
 quite correct. The starting pay is
 only Rs. 800 per mensem. The grant
 of travelling allowance to him will
 be governed by the rules contained
 in the Civil Service Regulations.
 (Vide para 9 and 10 of Mr. Bennett's
 article of agreement with the Secre-
 tary of State, communicated with G.O.
 No 375 d/21-1-97). Mr. Bennett will
 be allowed an establishment of one
 clerk on Rs. 60, one Duffadar on Rs. 10,
 one peon on Rs. 8 and two on Rs. 7. Three
 peons will, it is considered, be suf-
 ficient, as there will be very little
 work to be done in the way of pitching
 tents. If occasionally tents are re-

I don't quite see how this
 can work in with the arrangement
 in the Cent. house. The H.

25/1/97

25/1/97

25/1/97

Some in mind to know.
 1/3/97

To Secy
 Please see draft below

A.K.
 22.2.97

(Initialed and signed) H.W.B.
 to the Hon. Members

G.S.
 22.2.97

(Initialed and signed) H.W.B.
 (DO) J. G. [unclear]
 24.2.97

25/1/97

25/1/97

25/1/97

required, Mr. Bennett can use circle tents.

2. The scheme described in paras 5 to 7 of the Board's Proceedings appears to Government to be premature. No doubt some such arrangements as those proposed by the Board will eventually be necessary. ^{however,} If they are at once adopted, it must be years before a body of officers thoroughly competent to supervise distilleries can be trained after separate individual instruction by Mr. Bennett. This, the Government considers, is the first requisite, and to this end, after he has inspected as many distilleries as the Board considers necessary and has thus fully acquainted himself with the general conditions, the next step should be to organize Distillery schools for such Inspectors, Assistant Inspectors, and Sub Inspectors well advanced for promotion to Assistant Inspector, as in the Board's opinion may be best suited to distillery instruction and likely to profit by it. The

Possibly the buildings at Kellere now occupied by the Police school may not be required for that purpose all the year round & can be ^{used by the} ~~used by the~~ distillery school when required by the Police.

50
instruction should be partly theoretical and partly practical. The theoretical instruction ^{may} ~~can~~ be given either at Madras or at any other station the Board prefer ^{and where} suitable buildings ^{are} ~~might be~~ available. The practical course should of course be in such a distillery or distilleries as the Board may consider best adapted for the purpose. Temporary appointments will necessarily have to be sanctioned in the place of officers selected for training. If the foregoing plan is first carried out, the Board's scheme may then follow with real advantage, because all the officers concerned will have learnt their work. As trained Sub-Inspectors become available they could be posted to distilleries in the manner proposed by the Board. The Board is requested to report as to how the plan sketched above will work, and, if it agrees that it will answer the purpose in view, to submit a scheme for organizing the school in consultation with

Mr. Bennett, more or less on the model of that started by Mr. Hamrick, the Inspector General of Police, for training Police officers.

3. The following points also should receive the Board's attention :-

(i) The new Inspectors should not all be of the fourth grade as shown in the tabular statement at para 3 of the Board's Proceedings; but of different grades according to the established proportions, so that the average pay of an Inspector may work out to Rs. 506 per mensem.

(ii) It will also be necessary, if these officers are to have such extensive charges and responsibility as proposed by the Board, to give them some special local allowance as compensation.

(iii) The proposal to attach two Assistant Inspectors to one distillery does not commend itself to Government as it is almost certain to lead to undesirable results.

4. With regard to its proposal

place the bonded warehouses in

Madrass under the supervision of the new Abkari Deputy Commissioner, the Board is requested to report in communication with the Collector how it will fit in with the arrangements in the Custom-house..

air
22.2.97

Amuly

To the Board of Revenue (Secy: Rev)
" Financial Dept
" Anti Smuggling

22.3.97
22.8.3.97

50
4

Government {1897} of Madras.
REVENUE.

Recd.

Regd.

} 1897.

Enclosures

Spare copies

G.O., No. 132, 1st March 1897.

MARCH.

Distillery Establishments.

Passing orders on the proposals of the Board of Revenue for the improvement of — in
the Madras Presidency.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following Proceedings of the Board of Revenue (Separate Revenue), No. 492, dated 8th December 1896:—

Read—G.O., Mis. No. 3968, Revenue, dated 3rd October 1896.

Resolution—No. 492, dated 8th December 1896.

Now that the appointment of an expert in distillery matters has been made, the Board begs to submit the proposals for the improvement of distillery establishments referred to in the Government Order read above. They necessarily are only of a temporary nature, as, until Mr. Bennett has made himself acquainted with all the distilleries and some decision has been arrived at as to what standard of perfection can reasonably be worked up to at first, it will be impossible to settle such important questions as when and subject to what restrictions night distillation can be allowed—a point which affects the question of establishment most materially. Before dealing with the proposed increases, however, it will be convenient to ask for the orders of Government on certain matters connected with Mr. Bennett's appointment.

2. As his pay appears to have been fixed at Rs. 1,200 per mensem, the Board considers that he should be regarded as of the same status as a Deputy Commissioner and begs to suggest that he should be known as the Deputy Commissioner of Abkari. Deputy Commissioner of Excise would perhaps be more appropriate at present, but, as he will eventually in all probability devote a share of his attention to other Abkari subjects, the more general designation is suggested. The name "Supervisor of Distilleries" has been made use of in connection with the appointment, but considering the position occupied by Supervisors in the Public Works Department it would hardly be appropriate.

3. It is presumed that the travelling allowance which he will draw has been determined by the Secretary of State and will be communicated in due course. His head-quarters may be fixed at Madras for account purposes.

4. Mr. Bennett will have but little to do at first except make himself acquainted with the distilleries and deal with a few technical questions regarding wastages and the like. The Board considers that one clerk of the same standing as a Deputy Commissioner's circuit clerk should therefore suffice for his clerical establishment for the present and recommends that Rs. 60 per mensem should be fixed as his pay. Though his work will be trifling at first, it is necessary that he should be an intelligent man of some standing and experience, and a clerk of the sort willing to travel all over the Presidency can hardly be obtained for less. Mr. Bennett might have the same establishment of peons as a Deputy Commissioner, one duffadar on Rs. 10, three peons on Rs. 8 and three on Rs. 7 each.

5. In G.O., No. 277, Revenue, dated 22nd June 1896, the following additional establishment was sanctioned for the Nellikuppam distillery:—

One Inspector,
One Petty officer and
Nine Peons.

This leaves the Nellikuppam establishment on a satisfactory basis, but the Board does not see its way towards making general proposals of a satisfactory nature on the same lines, as the distilleries in which the present staff is least adequate for the protection of the revenue are for the most part the smaller ones (such as Coimbatore and

Tachanallur) which are located in buildings not originally designed for the purpose and which could not be satisfactorily adapted for it by anything short of almost complete reconstruction. It is in these distilleries that the risks are greatest, but economy renders it impossible to provide them with an officer of higher standing than an Assistant Inspector. It therefore considers that the best principle to adopt will be to make the numerical strength of the establishment allotted to each distillery depend on the volume of work to be got through, and obtain the additional security to the revenue desired by placing them in groups under selected Inspectors, who will assume charge of each unexpectedly from time to time under the orders of the Abkari Deputy Commissioner. In other words, each distillery should have a staff of Assistant Inspectors and Sub-Inspectors sufficient to allow of work being carried on in a thoroughly efficient style, but each would come unexpectedly under the charge of an expert Inspector two or three times a year for a period of a month or so at a time. The services of the officer temporarily displaced the Board would utilize for the check of consignments in transit by rail. This would enable it to dispense with the present ineffectual examination of consignments by Revenue Inspectors in most cases—a subject of general complaint amongst Collectors—and would afford a most wholesome check on the accuracy of the work of all Distillery officers who would never know when a consignment might not be proved and gauged by a thoroughly competent officer while in transit.

6. In order to carry out the above proposals the Board would divide the Presidency into three Distillery Circles as follows:—

Northern Circle.

Aska distillery.
Vizagapatam distillery.
Bezwada Excise depôt.

Bandur Excise depôt.
Bellary two distilleries.
Tadpatri distillery.

Central Circle.

Renigunta distillery.
Arkonam warehouse (bonded).
Ranipettai distillery.

Suramangalam distillery. (a)
Coimbatore do.
Aravanghat do.

Southern Circle.

Madras two distilleries.
Nellikuppam distillery.

Tanjore two warehouses (bonded).
Tinnevely two distilleries. (b)

7. As stated above an Inspector has already been provided for the Nellikuppam distillery. The Board would put him in charge of the Southern Circle which would leave only the Northern and Central Circles to be provided with Circle officers. The Inspector of the Southern Circle would no longer be available for continuous work at Nellikuppam, and, to allow of the heavy duties of that distillery being properly performed, it would be necessary that the establishment should be strengthened by the addition of an Assistant Inspector. The transactions at Ranipettai are almost as heavy as those of Nellikuppam and the Board does not consider that the duty of making issues leaves sufficient time to one Assistant Inspector to exercise adequate general supervision over such a large concern. It would appoint an additional Assistant Inspector here also. The distilleries in the Northern Circle are all small and only require additional Sub-Inspectors chiefly in connection with night work as explained below. Two Inspectors on Rs. 250 and two Assistant Inspectors on the average rate of pay might be sanctioned temporarily, pending revision of the proposals, if necessary, after the Abkari Deputy Commissioner has had time to frame fresh ones if the Board's views are accepted.

8. The following statement shows the present and proposed strength of the establishment at each distillery. The reasons for considering an increase necessary are detailed below.

(a) Will probably be closed soon.

(b) A second distillery will shortly be established here.

Distillery, excise depôt or warehouse.	Present establishment.						Proposed establishment.					
	Inspectors.	Assistant Inspectors.	Sub-Inspectors.	Clerks.	Petty officers.	Peons.	Inspectors.	Assistant Inspectors.	Sub-Inspectors.	Clerks.	Petty officers.	Peons.
						Cost per man-tem.						Cost per man-tem.
Northern Circle	..	..	..	..	..	na.	..	..	..	..	..	na.
Aska distillery	..	1	..	..	..	164	1	..	..	..	..	250
Vizagapatam distillery ..	..	1	..	..	..	164	..	1	1	..	..	221
Bewada Excise depôt ..	..	..	1	..	..	57	..	..	1	..	..	221
Bandur Excise depôt ..	..	..	1	..	..	57	..	..	1	..	..	57
Bellary, Messrs. Abraham and Company's distillery.	..	1	..	..	..	164	..	1	1	..	..	214
Bellary, Messrs. Veerabhadra and Company's distillery.	..	1	..	..	..	164	..	1	1	..	..	214
Tadpatri distillery	..	1	..	..	..	164	..	1	1	..	..	214
Central Circle	..	..	..	..	..	na.	..	..	..	..	..	na.
Renigunta distillery	..	1	..	..	..	164	..	1	1	..	..	250
Arkonam warehouse	..	..	1	..	..	57	..	..	1	..	..	214
Ranipettai distillery	..	1	2	..	..	278	..	2	1	..	..	57
Suramangalam distillery ..	..	1	1	..	..	221	..	1	1	..	..	368
Coimbatore do.	..	1	..	..	..	164	..	1	1	..	..	221
Aravanghat do.	..	1	..	..	..	(c) 203	..	1	1	..	..	214
Southern Circle	..	..	..	..	..	na.	..	..	..	..	..	na.
Tondiarpet distillery	..	1	..	..	..	164	..	1	1	..	..	250
Vyasaradi (Eden) distillery.	..	1	..	..	..	164	..	1	1	..	..	214
Nellikuppam distillery .. (a) 1	1	..	..	(b) 1	1	521	..	2	..	1	1	421
Tanjore warehouse (The Arcot sugar works and distilleries Company).	..	..	1	..	..	57	..	..	1	..	..	57
Tanjore warehouse (Messrs. Parry and Company).	..	..	1	..	..	57	..	..	1	..	..	57
Tachanallur distillery	..	1	..	..	..	164	..	1	1	..	..	214
Mangalore do.	..	1	..	..	..	164	..	1	1	..	..	214
Cannanore do.	..	1	..	..	..	164	..	1	1	..	..	164
Tiruvangore do.	..	1	..	..	..	164	..	1	1	..	..	164
Calicut Excise depôt	..	..	1	..	..	57	..	..	1	..	..	164
Chowghat distillery	..	1	..	..	..	164	..	1	1	..	..	57
Parli distillery	..	1	..	..	..	164	..	1	1	..	..	164
Total	1	19	9	1	1	66	3	21	16	1	2	79
Sanctioned strength	(a) 1	21	(d) 8	(b) 1	20	82	..	..	..	..	..	..

9. *Aska distillery.*—The proposed increase here is one Sub-Inspector and two peons. The buildings are not compact and while the Distillery officer is in the warehouse he knows nothing of what is going on elsewhere. Distillation lasts throughout the day, so that there is no supervision when the Distillery officer goes home to his meals. The issues from the distillery are about 55,500 gallons proof per annum.

10. *Vizagapatam distillery.*—The increase proposed here is also a Sub-Inspector and two peons. The issues from the distillery are about 85,000 gallons proof per annum. Work goes on from the early morning until 6 or 7 P.M., and the Distillery officer is consequently not always on the spot during working hours.

11. *Bellary—Messrs. Abraham & Co.'s distillery.*—An additional Sub-Inspector and one peon are asked for here. The distillery is a very unsatisfactory one in every way and needs careful watching. The still is charged over night and the fires are lighted at 1 A.M. Distillation is not completed till near sunset. A great deal of the work consequently goes on without any supervision. The issues are, however, small, only 11,200 proof gallons per annum. The additional establishment is necessary here owing to the faulty nature of the plant and buildings, and the distillers might fairly be required to pay for it. The Board thinks, however, that it will be better to bear the cost and warn the distillers that they must not regard the concession as anything

but a temporary one. They will probably be required to make very extensive alterations next year and the Board thinks it will be good policy not to press too heavily on small distilleries, lest their owners should abandon them or sell them to the owners of the larger concerns. There is a considerable risk of a monopoly being established at present which would be very detrimental to the revenue.

12. *Bellary—Messrs. Veerabadrappa & Co.'s distillery—and the Tadpatri distillery.*—The remarks with regard to Messrs. Abraham & Co.'s distillery apply to these also. A similar increase is asked for for each of them.

13. *Renigunta distillery.*—This distillery was established in April 1896 and the issues, up to date, have been about 18,000 proof gallons. The arrangements are not altogether satisfactory and the entertainment of an additional Sub-Inspector and a peon is recommended.

14. *Ranipettai distillery.*—The issues here are about 200,000 gallons proof and will probably increase rapidly now that the Company can supply molasses practically free of charge on the spot. An additional Assistant Inspector has been asked for above. The subordinate establishment should be reinforced by the addition of a petty officer and two peons.

15. *Suramangalam distillery.*—This will probably be closed ere long. No extra establishment is therefore required here.

16. *Coimbatore distillery.*—This is a most unsatisfactory distillery in every way and, in the opinion of the Board, probably about the most dangerous in the Presidency. The stills have all to be charged by hand under most unfavourable circumstances and much supervision is required. The addition of a Sub-Inspector and a peon to the present strength is recommended.

17. *Aravanghat distillery.*—Transactions here are on a very small scale. The present staff will suffice.

18. *Tondiarpet distillery.*—The issues here are about 82,200 gallons proof per annum. Work goes on all day and is arranged for by deputing one of the Madras Town Sub-Inspectors to unlock the wash-room, etc., in the morning before the arrival of the Distillery officer. This is a very unsatisfactory way of working and the Board thinks that an additional Sub-Inspector and one peon should be allowed.

19. *Eden distillery.*—This is a new and fairly secure distillery with a continuous still. The Board thinks that no additional establishment is required here.

20. *Tachanallur distillery.*—This is much the same class of distillery as Coimbatore. Its annual issues are about 60,000 gallons proof. The building is a most unsatisfactory one and work has to commence at a very early hour in the morning. The Board recommends an additional Sub-Inspector and one peon.

21. It is not proposed to improve the establishments of the West Coast distilleries. The revenue involved there is smaller and the difficulties in the way of improvements in Excise management due to the fact that the distilleries are only temporary concerns are enormous. It appears to the Board that it would be a waste of money to add to the establishments of such distilleries at a date when, owing to the approaching termination of the contract, it is impossible to insist on the internal arrangements being improved at the same time.

22. With regard to the question of by whom the cost of these additional establishments should be borne, the Board begs to call attention to paragraph 2 of its Proceedings, Mis. No. 3931, dated 16th September 1896. It considers that in the case of the larger distilleries Government must expect to have to provide an establishment to some extent commensurate with the revenue collected. In the smaller ones, it would be justified in throwing the additional cost due to imperfect plant, unsuitable buildings or night work intended to increase the outturn of inadequate stills on the distillers. It would, however, in its opinion, be improper to do so at present. Many of the smaller distilleries are located in buildings which never were intended for the purpose and are totally unsuitable from a revenue point of view, and radical changes require to be made both in buildings and plant if they are to be

(a) In the fourth grade temporary for one year.
(c) Inclusive of local allowance.

(b) On Rs. 25.
(d) Sub-Inspectors entertained at warehouses not included.

brought up to the reasonable requirements of the present time. The owners are consequently certain to be severely pressed in meeting the demands of the department for expensive improvements in the immediate future and care must be taken that the burden laid upon them is not made too heavy. Their existence as a check on the charges of the two large distilleries is of the greatest importance to the revenue and no risk of killing them out should be incurred.

23. The Board has referred above to the possibility of utilizing the services of the Assistant Inspectors who will be temporarily displaced from distillery charge by the Inspectors taking over their work in checking consignments in transit. When the department first assumed charge of the Abkari Revenue, the system of checking all consignments on arrival at their destinations was introduced chiefly in the interests of the farmers through whose vend areas they passed. It also served as some check on spirits consigned through higher excise duty areas to lower duty ones. The sale of vend rights by independent shops and the equalization of the rates of duty throughout the greater part of the Presidency have rendered the system only partially applicable to the requirements of the present day, and where it is still in force Collectors complain loudly of the loss of time it entails on the Land Revenue officers by whom the work of checking is done. The Board also believes that ignorance and want of care and intelligence make the check practically useless when applied. It therefore proposes to dispense with it and substitute occasional check of spirits in transit by the Distillery Assistant Inspectors off duty. Nearly eight-ninths of the total issues from distilleries are now distributed through wholesale vend depôts and a very large proportion of the supplies of the latter are probably consigned to a comparatively small number of stations. In some cases also transshipment from a broad to a narrow gauge railway is necessary, and such stations as Chingleput and Guntakal would be excellent points for stationing an Assistant Inspector for a few days. It would be necessary to secure the co-operation of the railways, but with this and a little experience the Board believes it should be possible for the Abkari Deputy Commissioner to post the Assistant Inspectors off duty at uncertain points at which a fair number of consignments would be an invaluable test of the work of all distillery officers concerned. It is unable to find it advisable to have a brief daily list of consignments submitted to the Abkari Deputy Commissioner's office from every distillery for tabulation there. This would enable the Abkari Deputy Commissioner to give his orders to the Assistant Inspectors by post or by wire, if necessary. Assistant Inspectors could also ascertain what consignments are in motion along the line by examining the permits in the possession of the guards and follow them up or accompany them to their destinations. Consignments going otherwise than by rail are now rare. These the Board would have checked as at present. It would also adhere to the present rule in the case of spirits from higher to lower taxed areas.

24. In conclusion the Board begs to call attention to the transactions of the bonded warehouses in Madras and to suggest that these should also be placed under the supervision of the Abkari Deputy Commissioner. The collections of duty during the past three years are as follows:—

Year.	Rs.	A.	P.
1893-94	3,51,450	1	0
1894-95	4,08,588	13	3
1895-96	4,45,098	11	10

This large revenue is at present under the charge of a Supervisor on Rs. 175 + Rs. 25 carriage allowance. The Board doubts whether the pay is sufficient and considers that the charge is more fitted for the services of an Inspector.

(True Copy and Extract.)

(Signed) N. S. BRODIE,
Acting Secretary.

To the Secretary to Government, Revenue Department.

ORDER—No. 132, Revenue, dated 1st March 1897.

Separate Memo No 12

The Board's proposals regarding the designation and head-quarters of the officer recently appointed for the supervision of distilleries are approved. Its statement that Mr. Bennett's pay has been fixed at Rs. 1,200 *per mensem* is not quite correct. The starting pay is only Rs. 800 *per mensem*. The grant of travelling allowance to him will be governed by the rules contained in the Civil Service Regulations (*vide* paragraphs 9 and 10 of Mr. Bennett's article of agreement with the Secretary of State, communicated with G.O., No. 375, dated 21st January 1897). Mr. Bennett will be allowed an establishment of one clerk on Rs. 60, one duffadar on Rs. 10, one peon on Rs. 8 and two on Rs. 7. Three peons will, it is considered, be sufficient, as there will be very little work to be done in the way of pitching tents. If occasionally tents are required, Mr. Bennett can use circle tents.

2. The scheme described in paragraphs 5 to 7 of the Board's Proceedings appears to Government to be premature. No doubt some such arrangements as those proposed by the Board will eventually be necessary. If, however, they are at once adopted, it must be years before a body of officers thoroughly competent to supervise distilleries can be trained after separate individual instruction by Mr. Bennett. This, the Government considers, is the first requisite, and to this end, after he has inspected as many distilleries as the Board considers necessary and has thus fully acquainted himself with the general conditions, the next step should be to organize distillery schools for such Inspectors, Assistant Inspectors, and Sub-Inspectors well advanced for promotion to Assistant Inspector, as in the Board's opinion may be best suited to distillery instruction and likely to profit by it. The instruction should be partly theoretical and partly practical. The theoretical instruction may be given either at Madras or at any other station the Board prefers and where suitable buildings are available. Possibly the buildings at Vellore now occupied by the police school may not be required for that purpose all the year round, and can be used for the distillery school when not required by the police. The practical course should of course be in such a distillery or distilleries as the Board may consider best adapted for the purpose. Temporary appointments will necessarily have to be sanctioned in the place of officers selected for training. If the foregoing plan is first carried out, the Board's scheme may then follow with real advantage, because all the officers concerned will have learnt their work. As trained Sub-Inspectors become available, they could be posted to distilleries in the manner proposed by the Board. The Board is requested to report as to how the plan sketched above will work, and, if it agrees that it will answer the purpose in view, to submit a scheme for organizing the school in consultation with Mr. Bennett, more or less on the model of that started by Mr. Hammick, the Inspector-General of Police, for training police officers.

3. The following points also should receive the Board's attention:—

(i) The new Inspectors should not all be of the fourth grade as shown in the tabular statement at paragraph 8 of the Board's Proceedings, but of different grades according to the established proportions, so that the average pay of an Inspector may work out to Rs. 306 *per mensem*.

(ii) It will also be necessary, if these officers are to have such extensive charges and responsibility as proposed by the Board, to give them some special local allowance as compensation.

(iii) The proposal to attach two Assistant Inspectors to one distillery does not commend itself to Government, as it is almost certain to lead to undesirable results.

4. With regard to its proposal to place the bonded warehouses in Madras under the supervision of the new Abkari Deputy Commissioner, the Board is requested to

8

No. 132, REVENUE, 1st MARCH 1897.

report in communication with the Collector how it will fit in with the arrangements in the custom-house.

(True Extract.)

(Signed) G. STOKES,
Ag. Secretary to Government.

To the Board of Revenue (Separate Revenue).
„ the Financial Department.
„ the Accountant-General.

Erd. Shaik Karim.

50 Copied.

First copy sent to Press.

Returned for signature.

Despatched in print.

RECEIVED AGAIN G.O. No.
150

URGENT No. 12

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT

STATEMENT WITH DITTO

VALUES NOT FULFILLING NEARLY FOR RESEARCH
IN ORIGINAL.

N.B.—

A = Print in full
B = Not to be printed
P = Print abstract only.
C = Print heading only.

NUMBER OF COPIES
REQUIRED.

Order complete.
Letter only.
Order complete with Letter.