

Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 1968

DATED 10th April 97

[Despatch Abstract.]

Recording Board's Progs. (G.R.) coming to all Collectors and to Deputy and Assistant Commissioners of the Salt, Akbari and Customs Departments. G. O. reviewing the Board's report of the Akbari and Opium revenue in the Madras Presidency for the year 1895-96 and stating that there was a decrease in the number of stills in the rented tracts of Kistna and South Canara during the second half^{of the} year 1895-96.

BACK PAPERS.

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

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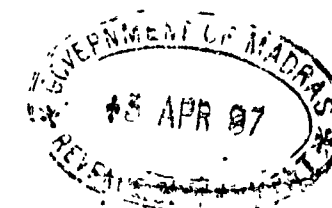
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Revenue (1897.) Department Board of Revenue

(Separate Revenue),

MADRAS.

15/4/97



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Proceedings, No. 101, 13th March 1897.

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Communicating to all Collectors and to Deputy and Assistant Commissioners of the Salt, Abkari and Customs Department Government Order reviewing the Board's report of the Abkari and Opium revenue in the Madras Presidency for the year 1895-96, and stating that there was a decrease in the number of stills in the rented tracts of Kistna and South Canara during the 2nd half of the year 1895-96.

10 15/4/97

PROCEEDINGS OF THE BOARD OF REVENUE
(SEPARATE REVENUE).

Read—the following G.O., Nos. 58, 58A, Revenue, dated 28th January 1897 :—
Read—Proceedings of the Board of Revenue (Separate Revenue), No. 372, dated 22nd September 1896.

Order—No. 58, Revenue, dated 28th January 1897.

Separate Revenue No. 5.

With the Proceedings read above the Board of Revenue submits its report on the administration of the abkari and opium revenue during the year 1895-96. The report was received in the Government office on the prescribed date, viz., the 1st October.

2. *Country spirits*.—The tracts under the “private distillery” supply system remained the same as in the previous year, being 88,478 square miles with a population of 23,146,524 persons. The tracts under the “contract distillery” supply system were enlarged during the year by the extension of the system to certain parts of the Kistna * and South Canara districts, with an area of 2,916 square miles and a population of 7,97,999 persons.

The excise system in one form or another was in force in 94 per cent. of the area of the Presidency with 92 per cent. of the total population.

3. *Excise system—Manufacture and supply of country spirits*.—The number of distilleries worked during the year was seventeen—six in the tracts under the contract distillery supply system, and eleven in those under the private distillery supply system, against six and fourteen, respectively, in the previous year. In the latter tracts there were also two bonded warehouses as in 1894-95. The number of shops licensed for the wholesale vend of country spirits in the same tracts increased from 300 in 1894-95 to 338 in the year under review, owing to the extension of the system of selling shops separately. About 89 per cent. of the issues to licensed vendors were made from the wholesale shops. The Government notes that these shops were frequently inspected and that the accounts have been correctly maintained. For the supply of liquor to the outlying portions of the South Canara and Malabar districts twenty excise depôts were opened by the contract suppliers—thirteen in the former and seven in the latter. Twenty-seven wholesale depôts were also opened in Malabar by private persons against fifteen in the previous year. It is reported that these were largely resorted to for the supply of spirits.

4. *Privilege of vend*.—The system of separate sale of shops, which has proved financially successful, was extended during the year to nineteen more taluks and divisions and sixty-two more towns. In consequence of this extension, the number of vend areas in the excise tracts fell from 403 in the previous year to 325 in the year under review.

5. *Consumption*.—The total consumption in the excise tracts of the Presidency amounted to 976,876 gallons of proof strength, being an increase of 5 per cent. as compared with the previous year.

* Kistna—Bandar and Répalle taluks South Canara—Mangalore, Uppinangadi and Kasaragod taluks, excepting the Hoedrug and Kasaragod still areas.

A portion of the increase in consumption resulted from the extension of the excise system to certain portions of the Kistna and South Canara districts as stated in paragraph 2 *supra*. Excluding these tracts the total consumption increased by * 28,542 gallons as compared with the previous year. This is attributed partly to the enhanced price of toddy consequent on the extension of the tree-tax system, and partly to the more favourable character of the season. In the Vizagapatam district, the consumption has been steadily increasing. In view to checking this the Government sanctioned the Board's proposal to fix a minimum selling price of liquor, but apparently this measure has produced no effect. The rate of excise duty has been raised since the close of the year and the result of the enhancement will be watched.

6. *Taxation per gallon*.—The subjoined statement shows the total issues of country spirits in the tracts which have been continuously under the excise system since 1883-84, the revenue realized in the shape of still-head duty and vend rents, and the incidence of revenue per gallon of proof strength during the last five years :—

	1883-84.	1891-92	1892-93.	1893-94.	1894-95.	1895-96.
Issues (gallons, London Proof) ..	769,214	752,032	690,912	722,897	747,690	770,156
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(a) Still-head duty	24,26,761	26,72,318	23,84,877	27,12,164	29,84,625	30,43,949
(b) Vend rents	..	14,49,735	13,53,077	12,02,507	12,28,961	13,76,851
Total ..	24,26,761	41,22,053	37,37,954	39,14,671	42,13,586	44,20,800
Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
(a) Rate of still-head duty per gallon	3 2 6	3 8 10	3 7 2	3 12 1	3 15 10	3 15 3
(b) Rate of vend rents per gallon ..	..	1 14 10	1 15 4	1 10 7	1 10 4	1 12 7
Total ..	3 2 6	5 7 8	5 6 6	5 6 8	5 10 2	5 11 10

The total incidence of taxation per gallon advanced by one anna and eight pies; 69 per cent. of the revenue was realized in the shape of still-head duty against 71 per cent. in 1894-95, while the vend rents or the variable portion of the taxation amounted to 31 per cent. against 29 in the previous year.

7. *Renting system*.—As has been remarked in previous reviews, no satisfactory statistics of consumption are available for the tracts under the renting system. The number of stills sanctioned in these tracts during the last five years is shown in the subjoined statement :—

Districts.	1891-92	1892-93.	1893-94.	1894-95.	1895-96.
Godavari	1,006	1,010	1,020	1,000	1,000
Kistna	340	330	330	321	321
South Canara	26	17	17	17	17
Malabar	193	1	1	1	1
Total ..	1,555	1,358	1,368	1,339	1,339

As the excise system has been extended to portions of the Kistna and South Canara districts, it is not understood why no reduction has been made in the sanctioned number of stills, which remains the same as in the previous year. The Board of Revenue is requested to explain the point. The introduction of the jaggery-arack

excise system into the Bandar and Répalle taluks has so far been successful, and the Government has accordingly directed the continuance of the system during the current year.

8. *Toddy*.—The tree-tax license fee system of raising the toddy revenue was newly introduced during the year under review into twenty-seven taluks, portion of a taluk and five zemindari divisions. The following statement shows the progress of the revenue since 1887 in the tracts under this system throughout the Presidency except the two West Coast districts:—

	Taluk in which the tree-tax system has been in force since 1st October.								
	1887.	1888.	1889.	1890.	1891.	1892.	1893.	1894.	1895.
1886-87	Rs. 3,84,830	Rs. 4,10,430	Rs. 4,78,786	Rs. 5,29,864	Rs. 5,74,005	Rs. 6,57,721	Rs. 1,67,452	Rs. 1,64,357	Rs. 3,35,914
1887-88	3,41,922	3,84,418	4,78,786	5,29,864	5,74,005	6,57,721	1,67,452	1,64,357	3,35,914
1888-89	3,84,418	4,37,300	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914
1889-90	4,36,303	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1890-91	4,70,456	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1891-92	4,45,041	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1892-93	4,31,762	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1893-94	4,64,814	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1894-95	4,98,033	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
1895-96	5,34,912	5,05,171	5,48,835	6,12,365	6,07,471	11,89,069	13,74,020	14,76,914	15,42,585
Increase of revenue in 1895-96 as compared with the revenue under the old system.	1,50,082	2,34,546	1,52,613	6,61,346	2,50,212	56,986	94,186	1,31,649	36,046

* Revenue under the old system.

The tree-tax system has been successful wherever it has been introduced. The total revenue derived thereunder amounted to nearly 55 60 lakhs of rupees, being an increase of 17.68 lakhs as compared with the revenue under the old system. Deducting from this amount the cost of the additional establishments entertained to work the system, which amounted to 2.04 lakhs, the net gain to Government was 15.64 lakhs.

9. *Foreign Liquor*.—The subjoined statement shows the quantity of foreign liquor imported into this Presidency during the last six years:—

Years.	Spirits.	Wines and liquors.	Ale, beer and porter.	Other sorts.	Total.
1890-91	GALS. 203,399	GALS. 60,684	GALS. 640,463	GALS. 480	GALS. 805,005
1891-92	180,605	50,268	434,350	230	665,453
1892-93	180,083	51,587	605,991	194	837,855
1893-94	167,472	49,253	395,881	601	613,207
1894-95	192,059	50,810	445,330	212	688,411
1895-96	205,316	51,304	530,808	244	787,662

The imports increased by a little more than 14 per cent.

The consumption of locally-made "foreign spirits" amounted to 13,932 gallons of proof strength, being an increase of 51 per cent. as compared with 1894-95. A large part of the increase occurred in the Nilgiri district and is attributed to the large influx of visitors during the season and to the enhancement of the maximum limit of sale of liquor in taverns for removal from the premises from one pint to one quart.

In addition to the two breweries at Aravanghat and Nilgiris, which continued to work throughout the year, a third was started during the year under review near Coonoor. The quantity of beer issued from all the three amounted to 474,086 gallons, being a decrease of 12 per cent. as compared with the previous year. The decrease was partly due to the

	1894-95.	1895-96.
Issued from local breweries	GALS. 542,091	GALS. 474,086
Imported from Bangalore	4,272	36,024
Total	546,363	510,110
	-36,253	

increased import of beer from the Bangalore distillery and partly also to the large increase under "Ale beer and porter" imported from foreign countries.

The number of licenses for the sale of foreign liquors amounted to 755 against 683 in 1894-95. The increase in the number of wholesale licenses and retail licenses for consumption off the premises was mainly due to the reduction in the fees paid therefor—a measure which was adopted after careful consideration.

During recent years the fees for these licenses had been enhanced from time to time, and a considerable fall in the number of licenses taken out resulted in consequence. As the greater portion of the revenue on foreign liquor is derived in the shape of an import duty, there is no reason why the establishment by respectable persons of shops for the sale of liquor to be consumed off the premises should be discouraged by the imposition of high fees. Shops of this class are provided mainly for the convenience of those classes of the population which require stimulants for their legitimate needs in their own homes and they are therefore believed to promote sobriety rather than the reverse. The following changes were accordingly introduced from the commencement of the year under review:—

(1) The fee for wholesale licenses, viz., licenses for the sale of foreign liquors to licensed dealers only was reduced from Rs. 100 to Rs. 25.

(2) The graduated scale of fees introduced in 1893 for retail licenses, i.e., licenses for the sale of foreign liquors to be consumed off the premises, was abolished and the fee was reduced to Rs. 100 in the towns of Madras, Ootacamund and Coonoor, and to Rs. 50 elsewhere.

A new class of license was also issued on certain conditions to Chemists and Druggists for the sale of rectified spirits on payment of an annual fee of Rs. 10.

10. *Financial results*.—The total current demand under all heads of abkari revenue amounted to Rs. 1,35,65,246, showing an increase of Rs. 6,65,658 or about 5.2 per cent. as compared with the previous year. The subjoined statement exhibits in one view the demand under the several heads during the last ten years:—

Years.	Country spirits.	Joint arrack and toddy.	Toddy.	Foreign liquor.	Miscellaneous.*	Total.
1886-87	45,63,674	7,89,499	20,81,315	92,729		85,27,117
1887-88	44,00,039	8,06,938	35,89,539	3,05,837	12,052	91,13,406
1888-89	46,73,827	7,99,847	39,65,736	3,02,669	11,680	97,59,759
1889-90	54,42,923	4,49,619	44,20,164	3,81,764	29,634	1,07,24,104
1890-91	67,19,208	71,668	51,76,370	3,47,288	37,743	1,13,52,277
1891-92	64,50,225	48,695	54,96,682	2,76,303	90,130	1,13,62,035
1892-93	64,50,225	25	57,66,150	3,22,606	83,396	1,14,20,469
1893-94	62,48,292	200	61,84,385	3,19,963	99,000	1,20,60,849
1894-95	64,57,301	328	64,88,076	3,35,374	1,13,830	1,28,99,588
1895-96	62,37,473	228	68,28,002	3,79,961	1,19,582	1,35,65,246

* Includes revenue from intoxicating drugs prepared from the hemp plant.

During the year under review there was a considerable increase under country spirits and toddy as compared with the previous year, due in the case of the former to increased consumption as explained in paragraph 5 *supra*, and in the case of the latter to the extension and successful working of the tree-tax system and the further extension of the system of the separate sale of shops.

Inclusive of the arrears outstanding at the beginning of the year, the total demand under "Abkari" amounted to Rs. 137.85 lakhs, of which Rs. 135.28 lakhs were collected and 27 lakh remitted, leaving at the close of the year a balance of Rs. 2.30 lakhs or 1.7 per cent. of the total demand. This result is satisfactory.

11. *Incidence of taxation.*—Taking country spirits and toddy together, the average

Average incidence.		1894-95.	1895-96.
—		A. P.	A. P.
Arrack		2 9	2 10
Toddy		8 0	3 2
Total	..	5 9	6 0

incidence of taxation per head of population was six annas against five annas and nine pies in the previous year. As usual, the incidence was highest in the Nilgiris (Rs. 2-3-10). Madras followed with Rs. 1-9-7, Bellary with As. 11-1, Anantapur with As. 10-9 and Gódvári with ten annas. The lowest incidence was in the Tinnevely district, where it was only two annas and five pies. Allowing for an increase of population at ten per mille per annum, the average incidence of taxation is reduced to five annas and eleven pies.

12. *Liquor shops.*—The number of shops opened during the year for the sale of country spirits and toddy decreased by 357 as compared with the previous year.

		Shops for the sale of		Total.
		Country spirits.	Toddy.	
1891-92		12,072	19,486	31,558
1892-93		11,974	18,923	30,897
1893-94		11,402	19,125	30,527
1894-95		11,362	19,219	30,581
1895-96		11,261	18,963	30,224

The Government notes that the importance of keeping down the number of liquor shops to the reasonable requirements of the population has been kept in view.

With reference to the letter from the Government of India, No. 3943 (Separate Revenue), dated 17th August 1895, the

Board of Revenue states that in no district was the increase in the sanctioned number of shops considerable; that in Tanjore two additional ganja shops were sanctioned on the representations made by the local residents, and after the necessity therefor was fully established on enquiry; and that in Madras ten toddy shops, the licenses for which had not been renewed owing to the death or default of the licensees or other similar causes were with the consent of the Municipal Council and the Commissioner of Police allowed to be re-opened.

13. *Preventive measures.*—The statistics relating to the working of the preventive establishments during the calendar year 1895 are reviewed in Chapter VIII of the Board's report. Twenty-eight thousand and thirty-seven persons were charged with offences against the Abkari laws including those whose cases were pending at the beginning of the year. This number exhibits a decrease of about 3 per cent. as compared with the previous year. Seven hundred and fifty-one persons were released departmentally against 715 in the previous year as having been charged without sufficient evidence. The percentage also of persons so released to the total number charged rose from 2.4 per cent. in 1894-95 to 2.7 per cent. in the year under review.*

* The attention of the Board is drawn to the fact that these figures are much higher than the corresponding figures shown in the Salt Administration Report for 1895-96, viz., 7 and 8, respectively.

Three thousand one hundred and fifty six persons were released for other causes and 23,207 persons sent for trial before the magistracy, leaving the charges against 1,674 persons pending at the close of the year. Including persons whose cases were pending at the beginning of the year, 25,606 persons were under trial before the magistracy. Neither the Board's report nor Appendix M thereto shows how many of these were convicted or acquitted, the information given regarding convictions and acquittals relating to cases, not to persons. In future, these particulars should be given

† —	1894.	1895.
By the Department	54	71
By the Police	6	7
By the Village Magistrates ..	4	6
Total ..	64	84

with respect to persons, not to cases. The number of illegal arrests † increased from 64 to 84 or from 2 to 3 per cent. of the total number of cases disposed of. The Board states that the officers of the department responsible for these arrests have been suitably dealt with, and that police and village officials have been reported for punishment to their departmental superiors. The number of assaults on the officers of the department decreased

from 93 in the previous year to 82 in the year under review; but as observed by the Board the number is still large. The Government notes with appreciation the prompt assistance rendered by the Sub-Magistrate of Sríperumbúdur in the assault and illicit distillation cases referred to in paragraph 162 of the Board's report.

14. *General remarks.*—Financially the year under review was the most successful on record. This result was attained without any encouragement being given to the spread of drunkenness, and if in spite of the enhancement of taxation there was an increase in the consumption of country spirits in excise tracts, the correct explanation therefor is to be found in the favourable character of the season and in the consequent prosperity of the classes using stimulants. It is satisfactory to note that the Abkari laws were worked without avoidable friction and that no charges were brought home to the departmental officers of undue harshness in carrying out the rules.

15. *Opium.*—The total quantity of opium retailed for consumption during the year under review amounted to 83,023 lb., showing an increase of 9,442 lb. or nearly 13 per cent. as compared with the previous year. Nearly the whole of the increase occurred in the Vizagapatam, Gódvári, Kistna and Malabar districts. The increase in the last-named district from 998 lb. in 1894-95 to 2,602 lb. in the year under review has not been explained. This should now be done. The average consumption per head of the population increased from .083 of a tola to .093. If allowance is made for the increase of population at 10 per mille per annum, the average consumption would work out to .089 of a tola against .080 in the previous year. The consumption was as usual highest in the Gódvári district (.848 of a tola) and this was followed by Vizagapatam (.242), Madras (.183), Nilgiris (.141) and Kistna (.117).

The total quantity of intoxicating drugs prepared from opium sold amounted to 2,954 lb. against 31.73 lb. in the previous year, showing a decrease of nearly 7 per cent.

The total number of shops opened for the sale of opium and intoxicating drugs prepared therefrom was 1,050 against 1,065 in the previous year, the decrease being most noticeable in the Gódvári district which contains the largest number of shops in the Presidency.

The pass duty on opium, including the amount adjusted on account of opium supplied to the Native States of Travancore and Cochin, amounted to Rs. 4,62,150, showing an increase of 12 per cent. as compared with the previous year. The increase was due to larger imports of the drug during the year. The current demand on account of opium amounted to Rs. 7,61,092 against Rs. 7,15,355 in 1894-95. Including arrears, the total demand amounted to Rs. 7,91,840, of which Rs. 7,61,248 were collected and Rs. 9 remitted, leaving a balance of Rs. 30,593 or about 4 per cent. at the close of the year.

16. *Intoxicating drugs manufactured from the hemp plant.*—The number of licenses issued for the sale of intoxicating drugs manufactured from the hemp plant rose from 256 in 1894-95 to 258 in the year under review; the license fees from Rupees 53,838 to Rs. 59,710; and the quantity retailed from 80,581 seers to 84,615 seers. The distribution of the quantity retailed under the heads of ganja, bhang and majam is shown in Appendix L to the Board's report. As stated by the Board, no reliance can be placed on the figures of sales, which are furnished by the renters.

17. *Total excise revenue.*—The total gross revenue of the Presidency under excise amounted to Rs. 142.89 lakhs, showing an increase of nearly 5 per cent. as compared with 1894-95. The revenue for the preceding five years is shown below:—

	RS.
1890-91	119.57
1891-92	120.30
1892-93	120.24
1893-94	127.74
1894-95	136.20

8 BOARD OF REVENUE (SEPARATE REVENUE), No. 101, 13TH MARCH 1897.

18. The Commissioner and the officers under his orders are to be congratulated on the successful results of their labours during the past year. The Government also notes with pleasure the Commissioner's testimony to the keen interest taken by Collectors in the abkari administration of their districts.

(True Extract.)

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

To the Board of Revenue (Separate Revenue).

Endorsement No. 58A.

Copy to the Government of India, Department of Finance and Commerce.

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

RESOLUTION—No. 101, dated 13th March 1897.

Communicated to all Collectors and to Deputy and Assistant Commissioners.

2. With reference to the concluding remarks in paragraph 7 of the order, the Board begs leave to invite the attention of Government to the first two foot-notes on page 26 of the report. There was a decrease of 194 stills in the Kistna and of 11 in South Canara during the second half of the year.

(True Copy and Extract.)

(Signed) R. H. SHIPLEY,
Acting Secretary.

(True Copy.)

R. H. Shipley
Assistant Secretary.

To all Collectors.

„ the Deputy Commissioners of Salt, Abkari
and Customs Department.

„ the Assistant Commissioners of Salt, Abkari
and Customs Department.

„ *Secretary to Government, Finance Department.*
Copy to the Inspector, Madras Town Circle.

Ed. A. F. Eccleston.

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READ AGAIN G.O., No.
189

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CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT

STATEMENTS WITH DITTO

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