

Revenue (1897) Department.

PRESS SERIES.

G.O., No. 394

Dated 26th June

[Despatch Abstract.]

approving with remarks the
revised intoxicating Drug Rules,
submitted by the Board of Revenue and
ordering their publication in the
Fort St. George Gazette.

BACK PAPERS.

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

FURTHER PAPERS.

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

REVENUE DEPARTMENT.

1899.

Board of Revenue

(Separate Revenue),

MAĐRAS.

Current No. 3095.



Printed May 5th.

Rec? 10th May

Regist^r. - do -

Proceedings, No. 100, 3rd May 1899.

MAY.

Submitting for the approval and orders of Government certain changes proposed in the Intoxicating Drugs Rules contained in Notification No. 157, dated 6th March 1897.

PROCEEDINGS OF THE BOARD OF REVENUE
(SEPARATE REVENUE).

RESOLUTION—No. 100, dated 3rd May 1899.

The Board begs to submit for the approval and orders of Government the following changes in the Intoxicating Drugs Rules contained in Government Notification No. 157, dated 6th March 1897. The rules, so far as they relate to cultivation, manufacture, transport and possession, were brought into force from 1st August 1897, while those portions thereof that relate to the levy of duty, &c., came into force only from the 1st April 1898. The changes proposed are the result of the experience gained during a year's working of the existing rules. In most cases they speak for themselves and do not require detailed comment. A revised notification embodying the alterations suggested in these Proceedings is submitted herewith for publication in the *Fort St. George Gazette*.

2. In accordance with the recommendations of Mr. Meyer contained in paragraphs 22 and 23 of his letter disposed of in G.O., No. 438, Revenue, dated 6th August 1898, the I.D. forms have been detached from the rules and no reference to them has been made in the body thereof. The forms will be revised and circulated to officers concerned in a separate Proceedings and will be embodied in the Excise Manual now under revision.

3. The chief changes proposed by the Board are the abolition of the levy of storehouse rent at present collected under rule 13, the simplification of the arrangements for payment of duty and obtaining permits and the transfer of the duty of verifying consignments of intoxicating drugs from Tahsildars and Deputy Tahsildars to Sub-Inspectors of the Salt, Abkari and Customs Department.

4. The existing rules require the levy of a storehouse rent of eight annas a maund in the first month of storage, two annas a maund for the next eleven and one anna a maund thereafter on all intoxicating drugs placed in the storehouses at Daggupad and Kaniyambadi. These rules, owing to the impossibility of levying the rent when the duty is paid and to the fact that while the duty is paid by the buyer the rent is paid by the seller, present great difficulties in practical working. A number of suggestions for their amendment have been made, but none are satisfactory. The endeavour to calculate the rent as a fair charge on the building would result in the Daggupad cultivators paying much more than those at Kaniyambadi. Nor can a rate leviable on each maund issued be fixed with reference to the quantity stored in time for it to be levied by revenue officers with the duty. The most feasible arrangement that has suggested itself is that a cess of a pie in the rupee should be added to the duty. The Board would, however, greatly prefer, if Government sees no objection, to forego the rent altogether. The duty on the drug is already very heavy, the cultivators derive no gain from the use of the Government storehouse since their own places of storage are put out of use and they have to transport to it at considerable expense, and it is most essential to free them from restrictions and simplify the rules for controlling their operations as far as can safely be done. The actual loss to Government, if the rent is foregone, will be about Rs. 1,000 a year, to set against which will be the relief of the cultivators from an added burden which they do not understand, a great simplification of the work of both Land Revenue and Salt, Abkari and Customs officers and not improbably an increase in the duty levied on ganja removed following the removal of the restriction. The recommendation is made with the full concurrence of the three Deputy Commissioners and the Board hopes that Government will see its way to accepting it.

5. The formalities which have to be observed under the present rules before a shopkeeper can get his ganja from the storehouse to his shop and open sales of the same are most unnecessarily complicated. He has first to pay the duty into a Government treasury and obtain a receipt, then to apply to the Collector for a permit (it may be remarked in passing that the Collector often lacks the information necessary for the filling up thereof, while the shopkeeper as often is uncertain as to the exact quantity he wishes to remove), then, having made terms with a cultivator, to ascertain the storehouse rent due on the particular ganja he wishes to remove; this has next to be paid into a treasury and a receipt obtained. On the receipt removal is allowed; but the shopkeeper has still to produce his ganja and papers before the Tahsildar or Deputy Tahsildar for verification before he can open sales. It is no matter for surprise if, in these circumstances, it is sometimes found difficult to dispose of shops and illicit are preferred to licit sales. Collectors have also complained of the additional work imposed on Tahsildars by the rules. The Board proposes to simplify the procedure by requiring that the duty (and cess for storehouse rent if Government decides to levy one) shall be paid to the Tahsildar of the taluk in which the shop or depot is situated, who, when granting a receipt, will verify the fact that the payer holds a shop or depot license as the case may be and will intimate the fact of the receipt having been granted to the storehousekeeper. This will be a sufficient authority to the storehousekeeper to make issues on agreement being come to between shopkeeper and cultivator. But in making them he will issue an advice in terms similar to the permit to the Collector of the district and Inspector of the circle in which the shop or depot is situated. The former will keep his copy for information, the latter will instruct the nearest Sub-Inspector to proceed to the shop or depot and verify the consignment without delay and before it is opened. To enable the storehouse officer to issue the necessary permits a draft notification amending Government Notification No. 156, dated 6th March 1897, is submitted for approval and publication in the *Fort St. George Gazette*.

6. The reasons for the other changes proposed are briefly given below:—

7. *Rule 2.*—Power has been taken to permit cultivation of the hemp plant in other places than the Bapatla and Polur taluks with the previous permission of His Excellency the Governor in Council. No necessity for such extension of cultivation has yet arisen, except in the case of the experimental plot in the yard of the storehouse at Kaniyambadi, but such necessity may at any time arise, more especially if it is found impossible at any time through fever to carry on operations in the Javadi hills, and the addition provides for such a contingency.

8. *Rule 7.*—A similar alteration has been made. As Government will remember a difficulty arose in 1897 from the fact that Kaniyambadi is not in the Polur taluk.

9. *Rule 8.*—It has been found that three days' notice before commencing harvesting is insufficient. The time has therefore been extended to a week.

10. *Rule 11.*—The Board considers that as far as possible all restrictions on the owner's power to get rid of his property—to Government or any proper person—should be removed. It has been thought best to leave the transferee indefinite, not with a view to permitting transfers to non-licensees generally, but in order to avoid legal difficulties about such transfers when they are found advisable.

11. *Rules 13 and 14 of the old notification.*—Rule 13 has been omitted with reference to the remarks in paragraph 4 *supra*. Rule 14 is only an instruction for the department and has therefore been removed from the notification.

12. *Rule 13 (old Rule 15).*—The Board considers that Assistant Commissioners may be entrusted with the duty of ordering the destruction of drugs not removed within two years. Provision for periodical stock-taking has been added.

13. *Rules 15 and 16 (old Rule 17).*—The rules as they at present stand do not provide for persons other than licensed vendors obtaining supplies from storehouses. Experience has proved the necessity for providing for cases of the sort, e.g., when supplies are required by the Medical Storekeeper to Government, for export to Coorg or otherwise. Rule 17 has been modified accordingly. A minimum limit of issues from storehouses has also been added to the rules with reference to Board's Notification

Rules 22-27
on pages 12-13 of
G.O. 142 Revd 6-3-97

under G.O. 142
6-3-97
p. 11.

G.O. 4240
1-11-98
4241
1-11-98

G.O. 636
27-7

G.O. 3757
16-9-98
4074
12-10-98
1121
16-3-99

T.G.O. 7
22
9
6

No. 6, dated 14th February 1893, based on Board's No. 45, dated 14th February 1893. Provision has also been made for the issue of samples for *bona fide* trade purposes.

14. *Rule 17 (old Rule 18).*—According to the strict letter of rule 18 the possession of five tolas of any preparation of ganja or charas or of more than one seer of any preparation of bhang without a license is prohibited. Presumably this was not intended, as the object was to fix a maximum limit of possession without license only for intoxicating drugs proper. The rule has been recast so as to penalize the unlicensed possession of preparations or admixtures which contain more than five tolas of ganja and charas or one seer of bhang. The amended rule has already been notified for the information of shopkeepers under the power delegated to the Commissioner in Government Notification No. 485, dated 13th July 1896.

15. *Rule 19 (old Rule 20).*—The manner of disposal of ganja shops has been left open. It is unnecessary for this to be provided for in the present notification. The old rule which fixed the upset prices was found unworkable when the duty was introduced and has been abolished.

16. *Rule 20 (old Rule 21).*—Supply by wholesale to retail vendors on payment of legal tender has been made compulsory and all restrictions as to the area in which supply is permitted removed in consideration of the small number of such licenses that are taken out.

17. *Rule 21 (old Rule 22).*—The foot-note to this rule has been struck out with reference to the remarks in paragraph 10 *supra* and this rule with rules 23, 24, 25, 26 and 27 amended with reference to paragraph 5.

18. *Rule 22 (old rule 23).*—Shopkeepers having complained of the absence of charas at the storehouses it is made clear that it is for them to arrange with the cultivators for drugs of any particular kind which they may require.

19. *Rule 27 (old Rule 28).*—Under this rule as it at present stands wholesale vendors are allowed to issue permits only if the consignments are not to be transported beyond the districts in which their depots are situated, and in other cases permits have to be granted by Collectors. This procedure is troublesome alike to the shopkeeper who obtains supplies from beyond his district and to the Collectors depotkeepers to issue permits to cover all consignments removed from their depots. The necessary modification has been made in the draft notification referred to in paragraph 6 *supra*.

20. Rule 28 as it at present stands does not clearly provide for a ganja shopkeeper obtaining his supplies from another shopkeeper. As wholesale depots will be few and far between the Board considers that the purchase of the drug by a shopkeeper from another shopkeeper should be permitted and that permits for such transport should be obtained from Land Revenue officers and in the Madras Town Circle from the Inspector and Assistant Inspectors of the Salt, Abkari and Customs Department.

(True Extract.)

(Signed)

C. G. TODHUNTER,
Acting Secretary.

(True Copy.)

Assistant Secretary.

To the Secretary to Government, Revenue Department,
with two draft notifications.

Advised, June 26, 1899
DRAFT NOTIFICATIONS.

Under sections 10 to 18, 24 and 29 of the Madras Abkari Act (I of 1886) and in exercise of all other powers enabling him in this behalf, the Right Honourable the Governor in Council is pleased to prescribe the following rules in supersession of those contained in Notification No. 157, dated 6th March 1897, as amended by Government Notification No. 351, dated 27th July 1897, and Board's Notification No. 6, dated 14th February 1898, for the cultivation of the hemp plant (*Cannabis Sativa* or *Indica*) and the manufacture, storage, sale, possession and transport of intoxicating drugs:—

In these Rules "Intoxicating drugs" means any intoxicating drink or substance prepared from any part of the hemp plant and includes ganja, charas, bhang and every preparation and admixture of the same.

"Ganja" means the dried flowering tops of cultivated female hemp plants which have become coated with resin in consequence of having been unable to set seeds freely.

"Charas" means the resinous matter formed on the flowering tops of cultivated female hemp plants when collected separately.

"Bhang" means the dried leaves of the hemp plant whether male or female and whether cultivated or uncultivated.

2. Licenses under section 12 of the Act will be granted for the cultivation of the hemp plant only in such parts of the Bapatla taluk of the Kistna district and of the Pólur taluk of the North Arcot district as the Collector may from time to time prescribe, and in such other localities as may be approved by the Board of Revenue (Separate Revenue) with the sanction of the Governor in Council.

3. Applications for licenses to cultivate the hemp plant must be presented to the Tahsildar of the taluk in which the land which it is proposed to cultivate is situated.

4. The license issued will be in force for one fasli year only.

5. Before the issue of the license, the applicant will be required to execute a counterpart agreement, which shall be filed in the office of the Tahsildar.

6. No fee will be charged on the application, the license or the counterpart. A court-fee stamp of the value of one-anna must be affixed to the application for the license, and the counterpart agreement must be executed on an eight-anna general stamp paper.

7. A public storehouse will be provided in the neighbourhood of each area in which cultivation of the hemp plant is carried on for the deposit of the intoxicating drugs produced therein, and will be in charge of an officer of the Salt, Abkari and Customs Department.

8. The licensed cultivator shall submit an application through the Sub-Inspector, Salt, Abkari and Customs Department of the range in which his land is situated to the officer in charge of the storehouse for permission to harvest his crop and manufacture intoxicating drugs therefrom, not less than a week before he commences to harvest it. The application shall be accompanied by the license to cultivate, on which latter, the officer in charge will endorse the requisite permission to harvest the crop and manufacture intoxicating drugs therefrom at a place to be specified by him. He will issue at the same time a transport permit to cover the transport of the crop from the field to the place of manufacture and of the intoxicating drugs produced from thence to the storehouse. The permission granted may apply to the whole or a definite portion of the crop. The transport permit will allow a reasonable but not excessive time for the preparation of the intoxicating drugs, the whole of which shall be delivered at the Government storehouse within the period mentioned in the transport permit. The officer in charge of the storehouse will keep a register in which he will enter all orders granting permission to harvest the crop, and will scrutinize it daily during the manufacturing season to ascertain whether the produce is being duly transported to the storehouse.

9. During the harvesting of the crop and the preparation of the intoxicating drugs therefrom the licensed cultivator shall work under the general superintendence of the officer in charge of the storehouse and his subordinates, and shall comply with all orders given by him for safeguarding the revenue. All plants uprooted in the process of cultivation and not used for the preparation of intoxicating drugs shall be destroyed under the supervision of the officer in charge of the storehouse or under his orders by the range Sub-Inspector.

10. On the arrival of the intoxicating drugs at the storehouse the officer in charge will at once cause them to be weighed and taken into store, and mark the packages or deposit the intoxicating drugs in such a way as to admit of their future identification, and will grant a receipt for them.

11. The cultivator may, with prior permission, transfer his intoxicating drugs whilst they are in the storehouse. A notice of the transfer shall be delivered in writing to the officer in charge of the storehouse who will record it in his books after such enquiry as he may consider necessary.

12. The officer in charge of the storehouse will grant owners and intending purchasers all reasonable facilities for inspecting the intoxicating drugs and transacting their business. He will also allow owners reasonable opportunities of taking such measures as may be necessary to keep their stocks in good condition, but will not permit any manipulation of them for the purpose of making other preparations.

13. The Assistant Commissioner of the Sub-division in which the storehouse is situated will take stock of the intoxicating drugs in the storehouse at such intervals not being greater than three months and in such manner as the Board of Revenue, Separate Revenue, may from time to time direct. He will be authorised at the time of such stock-taking to destroy any intoxicating drugs that have been in stock for more than two years.

14. All goods deposited in the storehouse shall be at the risk of the owners.

15. Duty at the following rates shall be paid before the removal of any intoxicating drugs from a Government storehouse unless the Board of Revenue with the previous sanction of Government shall direct otherwise:—

	RS.	A.	P.	
Charas	...	...	...	6 0 0
Gauja	...	...	...	4 0 0
Bhang	...	...	...	0 8 0

per seer of 80 tolas.

16. No smaller quantity of intoxicating drugs than five seers of any one kind shall be removed from the storehouse at one time, except as samples to be sent to *bona fide* vendors.

17. The possession without a license of more than five tolas of ganja or of charas or of more than the above quantities is similarly prohibited except under license.

18. Transport without a permit of quantities in excess of the maximum limits for possession without license prescribed in rule 17 *supra* is prohibited.

19. Licenses for the sale of intoxicating drugs will be of two descriptions—wholesale and retail. Wholesale licenses will be for the sale to licensed dealers only of intoxicating drugs in quantities not less than those specified in rule 17 and will be granted by Collectors on payment of an annual fee of Rs. 15. The privilege of vending intoxicating drugs by retail will be separately disposed of. No licenses will be issued to females.

20. Every holder of a wholesale license shall be bound to maintain a depot at a place to be specified in the license, to keep therein an adequate stock of intoxicating drugs to the satisfaction of the Collector, and to supply them on payment of legal tender to all licensed retail vendors who apply to them. Licenses will be granted for the official year.

21. A licensed vendor desiring to procure intoxicating drugs from a public storehouse must first pay duty at the rates specified in rule 15 into the taluk treasury in which his depot or shop is situated. He will present with the money a chalan which may be obtained from the Treasury officer. The latter will, after assuring himself that the applicant is a licensed vendor, grant him a receipt and despatch by post a letter of advice to the officer in charge of the storehouse concerned intimating the payment of duty and the grant of a receipt.

22. Government does not guarantee the supply of intoxicating drugs of any particular sort. Licensed vendors must make their own arrangements for the purchase of the intoxicating drugs required by them from the owners of stocks in the storehouses. They shall be at liberty to of arrangements for purchase the owners of stocks should apply to the officer in charge of the storehouse for delivery of the intoxicating drugs to the purchaser. The storehouse officer will then, on production of the treasury receipt by the latter, and after comparing it with the letter of advice from the treasury officer, superintend the delivery by the owners.

23. Unless the Board of Revenue order otherwise, the intoxicating drugs purchased shall be weighed first alone and a second time after packing. Each package shall be carefully sealed by the officer in charge of the storehouse so that it cannot be opened without the seals being damaged and it shall also be marked so that it can be easily identified.

24. The officer in charge of the storehouse will then issue a permit for the transport of the drug purchased and enter therein the net and gross weight of each package, its distinctive markings and the period of currency of the permit taking care to allow reasonable but not excessive time for the consignment to reach its destination. He will at once intimate the fact of the issue of the permit to the Collector concerned and despatch by post to the Inspector of the Salt, Abkari and Customs Department of the Circle in which the depot or shop is situated a letter of advice informing him of the quantity of intoxicating drugs removed of each kind and the date on which the permit will expire. The latter officer will immediately forward the letter of advice to the Sub-Inspector of the range in which the depot or shop is situated who will without unnecessary delay proceed to verify the consignments.

25. The permit shall accompany the consignment, and while the latter is in transit shall be at once produced for inspection on the demand of any Abkari, Land Revenue or Police officer. On arrival at its destination the consignment must be kept with seals unbroken until verified by the Sub-Inspector of the range in which the shop or depot is situated. The latter, if he finds cause for suspicion, will detain the consignment and report the matter without delay to the Inspector for orders. If not, he will verify the quantity of drugs entered in the permit, enter the quantity received with his own hand in the account book maintained in the depot or shop and affix his signature thereto and return the letter of advice with a certificate of verification on the back to the Inspector to be filed in his office.

26. Consignments of intoxicating drugs must not be opened by licensed vendors unless and until they have been verified and passed in the manner prescribed in the last preceding rule.

27. Both wholesale and retail licensed vendors may purchase intoxicating drugs from wholesale vendors. Consignments so purchased must be protected during transit by a permit which may be granted by the wholesale vendor from whom the intoxicating drugs are purchased. Retail licensed vendors may also obtain their supplies from other retail dealers in which cases the consignment must be covered by permits granted by Tahsildars or Deputy Tahsildars in independent charge and, in the Madras Town Circle, by the Inspector and Assistant Inspectors of the Salt, Abkari and Customs Department.

28. Licensed vendors shall maintain accounts of their purchases and sales and file the permits for the intoxicating drugs received, and shall produce the same for the inspection of any officers of the Abkari and Land Revenue Departments not below the rank of Sub-Inspector, and Revenue Inspector, respectively, when called upon to do so.

29. Licensed cultivators and shopkeepers shall furnish such other accounts as the Collector may direct.

30. The Board of Revenue in the Department of Separate Revenue will issue such subsidiary instructions as may be necessary to the carrying out of these rules.

31. The applications, permits, accounts, etc., referred to in these rules must be in such form as may be prescribed from time to time by the Board of Revenue, Separate Revenue.

32. Whoever being a licensed cultivator harvests any portion of his hemp crop without permission, or fails to deliver the intoxicating drugs manufactured therefrom at the Government storehouse within the time specified in the transport permit, or manufactures intoxicating drugs in a place other than that specified on the reverse of his license or disobeys the instructions issued by the departmental officers in the matter of safeguarding the revenue; and whoever being a licensed vendor opens any package containing intoxicating drugs before they have been verified as required by the rules, shall be liable at the discretion of the Collector to a penalty not exceeding the sum of Rs. 200 for every such wilful act or omission. The imposition of a fine under the last preceding clause shall not be held to prevent the prosecution of such persons for any offence which may thereby have been committed against the provisions of the Madras Abkari Act, 1886, or other law for the time being in force and relating to the abkari revenue.

33. Nothing herein contained shall affect any rules or notifications at present in force so far as they are not inconsistent with the rules now published.

Under section 4 of the Madras Abkari Act I of 1886, and in exercise of all other powers enabling him in this behalf, His Excellency the Governor in Council is pleased to make the following appointments in supersession of those contained in Notification No. 156, dated 6th March 1897, published on page 395 of the *Fort St. George Gazette*, dated 30th March 1897, Part I:—

Sub-section of section 4	Appointment.	Local jurisdiction.
(b)	All licensed wholesale vendors of intoxicating drugs prepared from the hemp plant and, if the Board of Revenue shall so order, their managers and gumastahs, to perform all the duties of a Collector in respect of the issue of special permits for the transport of such drugs sold by themselves concurrently with the Collector and subject to the control of the Collector.	Throughout the Presidency.
(b)	The officers in charge of Government storehouses for the storage of intoxicating drugs prepared from the hemp plant to issue permits for the transport of the hemp crop to the place of manufacture, of the manufactured produce thence to the Government storehouse and of intoxicating drugs removed from the storehouses to shops and depots.	Do. do.

DRAFT NOTIFICATIONS.

Under sections 10 to 18, 24 and 29 of the Madras Abkari Act (I of 1886) and in exercise of all other powers enabling him in this behalf, the Right Honourable the Governor in Council is pleased to prescribe the following rules in supersession of those contained in Notification No. 157, dated 6th March 1897, as amended by Government Notification No. 351, dated 27th July 1897, and Board's Notification No. 6, dated 14th February 1898, for the cultivation of the hemp plant (*Cannabis Sativa* or *Indica*) and the manufacture, storage, sale, possession and transport of intoxicating drugs:—

In these Rules "Intoxicating drugs" means any intoxicating drink or substance prepared from any part of the hemp plant and includes ganja, charas, bhang and every preparation and admixture of the same.

"Ganja" means the dried flowering tops of cultivated female hemp plants which have become coated with resin in consequence of having been unable to set seeds freely.

"Charas" means the resinous matter formed on the flowering tops of cultivated female hemp plants when collected separately.

"Bhang" means the dried leaves of the hemp plant whether male or female and whether cultivated or uncultivated.

2. Licenses under section 12 of the Act will be granted for the cultivation of the hemp plant only in such parts of the Bapatla taluk of the Kistna district and of the Pólur taluk of the North Arcot district as the Collector may from time to time prescribe, and in such other localities as may be approved by the Board of Revenue (Separate Revenue) with the sanction of the Governor in Council.

3. Applications for licenses to cultivate the hemp plant must be presented to the Tahsildar of the taluk in which the land which it is proposed to cultivate is situated.

4. The license issued will be in force for one fasli year only.

5. Before the issue of the license, the applicant will be required to execute a counterpart agreement, which shall be filed in the office of the Tahsildar.

6. No fee will be charged on the application, the license or the counterpart. A court-fee stamp of the value of one-anna must be affixed to the application for the license, and the counterpart agreement must be executed on an eight-anna general stamp paper.

7. A public storehouse will be provided in the neighbourhood of each area in which cultivation of the hemp plant is carried on for the deposit of the intoxicating drugs produced therein, and will be in charge of an officer of the Salt, Abkari and Customs Department.

8. The licensed cultivator shall submit an application (through the Sub-Inspector, Salt, Abkari and Customs Department of the range in which his land is situated) to the officer in charge of the storehouse for permission to harvest his crop and manufacture intoxicating drugs therefrom, not less than a week before he commences to harvest it. The application shall be accompanied by the license to cultivate, on which latter, the officer in charge will endorse the requisite permission to harvest the crop and manufacture intoxicating drugs therefrom at a place to be specified by him. He will issue at the same time a transport permit to cover the transport of the crop from the field to the place of manufacture and of the intoxicating drugs produced from thence to the storehouse. The permission granted may apply to the whole or a definite portion of the crop. The transport permit will allow a reasonable but not excessive time for the preparation of the intoxicating drugs, the whole of which shall be delivered at the Government storehouse within the period mentioned in the transport permit. The officer in charge of the storehouse will keep a register in which he will enter all orders granting permission to harvest the crop, and will scrutinize it daily during the manufacturing season to ascertain whether the produce is being duly transported to the storehouse.

9. During the harvesting of the crop and the preparation of the intoxicating drugs therefrom the licensed cultivator shall work under the general superintendence of the officer in charge of the storehouse and his subordinates, and shall comply with all orders given by him for safeguarding the revenue. All plants uprooted in the process of cultivation and not used for the preparation of intoxicating drugs shall be destroyed under the supervision of the officer in charge of the storehouse or under his orders by the range Sub-Inspector.

10. On the arrival of the intoxicating drugs at the storehouse the officer in charge will at once cause them to be weighed and taken into store, and mark the packages or deposit the intoxicating drugs in such a way as to admit of their future identification, and will grant a receipt for them.

11. The cultivator may, with prior permission, transfer his intoxicating drugs whilst they are in the storehouse. A notice of the transfer shall be delivered in writing to the officer in charge of the storehouse who will record it in his books after such enquiry as he may consider necessary.

His Excellency

G.O. 626
27-7-97

new vide para 9 of B.P.

and shall be in form "G.O. 1" omitted

and shall be in form "G.O. 2" omitted

new para 8 ibid

new

para 9 of B.P.

"in form G.O. 4" omitted

"in form G.O. 5" omitted

new

of whom? para 10 of B.P.

"in form G.O. 1" omitted

the existing rule has apply in form G.O. 3

"in form G.O. 6" omitted

"to any licensed vendor" in the existing rule omitted. For explanation vide para 10 of the current.

12. The officer in charge of the storehouse will grant owners and intending purchasers all reasonable facilities for inspecting the intoxicating drugs and transacting their business. He will also allow owners reasonable opportunities of taking such measures as may be necessary to keep their stocks in good condition, but will not permit any manipulation of them for the purpose of making other preparations.

13. The Assistant Commissioner of the Sub-division in which the storehouse is situated will take stock of the intoxicating drugs in the storehouse at such intervals not being greater than three months and in such manner as the Board of Revenue, Separate Revenue, may from time to time direct. He will be authorised at the time of such stock-taking to destroy any intoxicating drugs that have been in stock for more than two years.

14. All goods deposited in the storehouse shall be at the risk of the owners.

15. Duty at the following rates shall be paid before the removal of any intoxicating drugs from a Government storehouse unless the Board of Revenue with the previous sanction of Government shall direct otherwise:—

						Rs.	A.	P.
Charas	...	...	...	...	...	6	0	0
Ganja	...	...	...	...	...	4	0	0
Bhang	...	...	...	...	...	0	8	0

per seer of 80 tolas.

16. No smaller quantity of intoxicating drugs than five seers of any one kind shall be removed from the storehouse at one time (except as samples to be sent to bona fide vendors.)

17. The possession without a license of more than five tolas of ganja or of charas or of more than one seer of bhang is prohibited. The possession of preparations or admixtures containing more than the above quantities is similarly prohibited except under license.

18. Transport without a permit of quantities in excess of the maximum limits for possession without license prescribed in rule 17 *supra* is prohibited.

19. Licenses for the sale of intoxicating drugs will be of two descriptions—wholesale and retail. Wholesale licenses will be for the sale to licensed dealers only of intoxicating drugs in quantities not less than those specified in rule 17 and will be granted by Collectors on payment of an annual fee of Rs 15. The privilege of vending intoxicating drugs by retail will be separately disposed of. No licenses will be issued to females.

20. Every holder of a wholesale license shall be bound to maintain a depot at a place to be specified in the license, to keep therein an adequate stock of intoxicating drugs to the satisfaction of the Collector, and to supply them on payment of legal tender to all licensed retail vendors who apply to them. Licenses will be granted for the official year.

21. A licensed vendor desiring to procure intoxicating drugs from a public storehouse must first pay duty at the rates specified in rule 15 into the taluk treasury in which his depot or shop is situated. He will present with the money a chalan which may be obtained from the Treasury officer. The latter will, after assuring himself that the applicant is a licensed vendor, grant him a receipt and despatch by post a letter of advice to the officer in charge of the storehouse concerned intimating the payment of duty and the grant of a receipt.

22. Government does not guarantee the supply of intoxicating drugs of any particular sort. Licensed vendors must make their own arrangements for the purchase of the intoxicating drugs required by them from the owners of stocks in the storehouses. They shall be at liberty to purchase the quantity covered by a treasury receipt from more than one owner. On completion of arrangements for purchase the owners of stocks should apply to the officer in charge of the storehouse for delivery of the intoxicating drugs to the purchaser. The storehouse officer will then, on production of the treasury receipt by the latter, and after comparing it with the letter of advice from the treasury officer, superintend the delivery by the owners.

23. (Unless the Board of Revenue order otherwise) the intoxicating drugs purchased shall be weighed first alone and a second time after packing. Each package shall be carefully sealed by the officer in charge of the storehouse so that it cannot be opened without the seals being damaged and it shall also be marked so that it can be easily identified.

24. The officer in charge of the storehouse will then issue a permit for the transport of the drug purchased and enter therein the net and gross weight of each package, its distinctive marking and the period of currency of the permit taking care to allow reasonable but not excessive time for the consignment to reach its destination. He will at once intimate the fact of the issue of the permit to the Collector concerned and despatch by post to the Inspector of the Salt, Abkari and Customs Department of the Circle in which the depot or shop is situated a letter of advice informing him of the quantity of intoxicating drugs removed of each kind and the date on which the permit will expire. The latter officer will immediately forward the letter of advice to the Sub-Inspector of the range in which the depot or shop is situated who will without unnecessary delay proceed to verify the consignments.

25. The permit shall accompany the consignment, and while the latter is in transit shall be at once produced for inspection on the demand of any Abkari, Land Revenue or Police officer. On arrival at its destination the consignment must be kept with seals unbroken until verified by the Sub-Inspector of the range in which the shop or depot is situated. The latter, if he finds cause for suspicion, will detain the consignment and report the matter without delay to the Inspector for orders. If not, he will verify the quantity of drugs entered in the permit, enter the quantity received with his own hand in the account book maintained in the depot or shop and affix his signature thereto and return the letter of advice with a certificate of verification on the back to the Inspector to be filed in his office.

26. Consignments of intoxicating drugs must not be opened by licensed vendors unless and until they have been verified and passed in the manner prescribed in the last preceding rule.

27. Both wholesale and retail licensed vendors may purchase intoxicating drugs from wholesale vendors. Consignments so purchased must be protected during transit by a permit which may be granted by the wholesale vendor from whom the intoxicating drugs are purchased. Retail licensed vendors may also obtain their supplies from other retail dealers in which cases the consignment must be covered by permits granted by Tahsildars or Deputy Tahsildars in independent charge and, in the Madras Town Circle, by the Inspector and Assistant Inspectors of the Salt, Abkari and Customs Department.

28. Licensed vendors shall maintain accounts of their purchases and sales and file the permits for the intoxicating drugs received, and shall produce the same for the inspection of any officers of the Abkari and Land Revenue Departments not below the rank of Sub-Inspector, and Revenue Inspector, respectively, when called upon to do so.

29. Licensed cultivators and shopkeepers shall furnish such other accounts as the Collector may direct.

30. The Board of Revenue in the Department of Separate Revenue will issue such subsidiary instructions as may be necessary to the carrying out of these rules.

31. The applications, permits, accounts, etc., referred to in these rules must be in such form as may be prescribed from time to time by the Board of Revenue, Separate Revenue.

32. Whoever being a licensed cultivator harvests any portion of his hemp crop without permission, or fails to deliver the intoxicating drugs manufactured therefrom at the Government storehouse within the time specified in the transport permit, or manufactures intoxicating drugs in a place other than that specified on the reverse of his license or disobeys the instructions issued by the departmental officers in the matter of safeguarding the revenue; and whoever being a licensed vendor opens any package containing intoxicating drugs before they have been verified as required by the rules, shall be liable at the discretion of the Collector to a penalty not exceeding the sum of Rs. 200 for every such wilful act or omission. The imposition of a fine under the last preceding clause shall not be held to prevent the prosecution of such persons for any offence which may thereby have been committed against the provisions of the Madras Abkari Act, 1886, or other law for the time being in force and relating to the abkari revenue.

33. Nothing herein contained shall affect any rules or notifications at present in force so far as they are not inconsistent with the rules now published.

Under section 4 of the Madras Abkari Act I of 1886, and in exercise of all other powers enabling him in this behalf, His Excellency the Governor in Council is pleased to make the following appointments in supersession of those contained in Notification No. 156, dated 6th March 1897, published on page 395 of the 10th St. George Gazette, dated 30th March 1897, Part I:—

Sub-section of section 4	Appointment.	Local jurisdiction.
(b)	All licensed wholesale vendors of intoxicating drugs prepared from the hemp plant and, if the Board of Revenue shall so order, their managers and gumastahs, to perform all the duties of a Collector in respect of the issue of special permits for the transport of such drugs sold by themselves concurrently with the Collector and subject to the control of the Collector.	Throughout the Presidency.
(b)	The officers in charge of Government storehouses for the storage of intoxicating drugs prepared from the hemp plant to issue permits for the transport of the hemp crop to the place of manufacture, of the manufactured produce thence to the Government storehouse and of intoxicating drugs removed from the storehouses to shops and depots.	Do. do.

The existing rule has " sold by the shop subject to an export price of Rs 45 in the town of Madras " and Rs 30 elsewhere. For explanation *vide* para 15 of C.

② The existing rule has " of the districts concerned. " *vide* para 16 of C.

Notes connected with G.O. No. 3943, 26.6.99.

From [Subject - Revision of the ~~Revenue~~ *Intoxicating Drug* Rules]
 Prop. of The Board of Revenue, (Separate Revenue.)

[No. 100, dated 3rd May 1899.]

(G.O. No. 3025)

To Secretary.

In the paper read above the Board of Revenue proposes to revise the Intoxicating Drug Rules published under G.O. No. 142 Revenue, dated 8th March 1897, and submits two draft notifications for publication in the Gazette.

2. The more important alterations are noted below:-

(i) The first alteration is to detach from the notification forms, such as applications, licenses, permits &c, which were published as a part of it, and to omit the references to them from the rules; the object being to avoid application to Government for sanction to every modification which experience may show to be necessary in them. This explains the change in rule 31 (revised).

(ii) The second alteration is to forego the storhouse rent now levied under existing rule ¹³. The Board's =

Handwritten notes:
 This is the first copy
 of the revised rules
 27/5/99

Para 2 of insert.

on page 7 ibid

*Page 12 of G.O. 142
 6.3.97.*

*C. 19/6
 21/2/16*

arguments for this change are stated in para 4 of the Current. As the amount of rent depends on the time the drugs have been in store, it cannot be collected with the duty, which latter is paid by the purchaser into a Govt. treasury before he obtains a permit and applies to the vendors. The only feasible plan in the opinion of the Board is to levy the rent in the shape of a cess, and a cess of one pie in the rupee of the duty is suggested. It recommends, however, with the full concurrence of the three Deputy Commissioners, that the rent may be foregone altogether. The amount now realized is only Rs. 1000 a year, and the Board anticipates that the duty on ~~the~~ ^{increased} removals will make up for the loss.

(iii) The existing procedure for the purchase of the drugs from the storehouse has been found to be cumbersome. The purchaser has now to pay the duty into a Govt. treasury and then to obtain a permit from the Collector before he goes to the storehouse. It is proposed to dispense with the latter formality, and to empower the storehouse officer to issue permits when the drugs are issued before granting a receipt, the Tahsildar ^{to be} is required to satisfy himself

Rule 22 on p. 12 of Gp. 142 Rev
6-3-27

This may be done.
MA

para 5 of current.

Rule 22 on p. 12 of Gp. 142 Rev
6-3-27

Rule 24 on p. 6 of current.

Rule 21 ibid

that the intending purchaser is a licensed vendor, and to forward a letter of advice to the storehouse officer. These changes are embodied in revised rules 21 & 24, and the power to grant permits is conferred on storehouse-keepers by the words underlined in the second notification on page 7 of the Current.

(iv) The duty of verifying consignments is now discharged by Land Revenue officers. As Collectors have complained of the additional work thus thrown on them, it is proposed to transfer the duty to Salt Sub Inspectors. The necessary changes have been embodied in revised rules 24 & 25.

(v) The existing rules being rigid in certain particulars, it is proposed to make them ^{a little more} elastic. For instance, provision is made, in revised rule 2 for permitting the cultivation of the hemp plant in places other than the two taluks specified; in rule 11 for the transfer of the drugs to any one other than a licensed vendor; in rule 15 for not levying duty in exceptional cases; in rule 16 for the issue from the storehouse of less than the prescribed quantity as samples. Rule 19 omits the particular mode of disposal of shops laid down in existing rule 20 and also the reference to fixed set prices. Rule 20 binds the wholesale

Rule 26 on p. 13 of Gp. 142 Rev
6-3-27
This is a very considerable change as hitherto L.R. Officers of the Grade of Tahsil & Dy Tahs. have verified the consignments. The working of the new rule should be carefully watched.
MA

para 7 of current.

para 10 ibid

para 13 ibid

ibid

para 15 ibid

for report.

(ii) The second sentence of Rule 2 has been newly added. The expression "the process of cultivation" appears to be incorrectly put for "the harvesting operations"; for, plants uprooted in those operations only can be used in the manufacture of the drugs. Provision for recovering the cost of destruction should be made when the uprooted plants are destroyed by the Range Sub-Inspector.

(iii) Rule 11 refers apparently to the "prior permission" of the storehouse officer. It should be so specified.

(iv) In rule 24 provision is made for sending to the Collector intimation of the issue of permits and para 5 of the Current states that he should keep them for information. The necessity for this is not evident.

(v) In rule 27 it is proposed that purchases by one shopkeeper from another should be restricted by permits granted by certain Government officers. It is feared that this restriction will cause great inconvenience. May the Board be asked to suggest a modification?

~~to the H. Sec.~~
Kor. 8-6-99
There seems to be no objection to the Board's proposal except perhaps to the proposal that the L.R. Officer should not

Page 5 of current.

"Process of cultivation" seems the safer
Battersey process of cultivation or of harvesting
MA 17-6-11

The cost of 2 or 3 sulphur malition + a little kerosene oil - seems unnecessary. MA 17-6-11

ibid

MA 17-6-11

Page 6 of current.

perhaps the collector has issued no permits. MA 17-6-11

Page 7 of current.

But at present a detailed licensed vendor can purchase from a wholesale licensed vendor? The addition grants a privilege from which the safeguard proposed seems necessary? MA 17-6-11

Para 16 of current

Para 19 ibid

Page 5 of current.

H. Sec.
The time has been extended to a week apparently to meet this very difficulty. The addition may be proposed modification therefore stand. MA 17-6-11

Yes MA

It would probably save time if they came through the S.I.

vendor to supply any retail vendors, and not ~~only~~ those ~~in~~ his district. Rule 27 authorizes the wholesale vendor to issue permits to protect during transit consignments purchased from himself throughout the Presidency (vide also the first portion of the notification at the bottom of page 7 of the Current). A retail vendor is also permitted by the same rule to purchase from other retail vendors.

The modifications ~~enumerated~~ above and certain minor ones carried out in the rules may be approved. The rules are open to criticism in certain particulars:--

(i) Revised Rule 2 requires the submission of the application for permission to harvest the crop "through the Sub Inspector, Salt, Akbari and Customs Department of the range in which his land is situated." This form is newly prescribed; but as the Sub Inspector is an itinerating officer, it may put the cultivators to inconvenience. It is apparently intended that the Sub Inspector should inspect the fields before sending on the application; but this can be arranged for by the storehouse ~~officer~~ receiving the applications himself and ascertaining that ~~to~~ the Sub Inspector

longer verify consignments
on arrival. (Rule 26 existing - Rule 25 proposed)

The officer whose
prior permission is necessary
under Rule (proposed) 11
is presumably the store house
keeper, may be specified in
the Rule.

Me
17.6.99

Secy.

Please see draft below.

June
17/6

I accept the proposals
subject to note
above.
H. 20.6.99

[Encd. as G.O. No. 3940/16.99]

Read B.P. (S.P.) No. 1008/

3.5.99 (C. no. 3095)

G.O. Press No. 394 dt 26th June 1899

The Intoxicating Drugs
Rules, as now modified by the Board
of Revenue are approved, subject to
the following remarks:—

(i) Revised rule 9— After
the words "the process of cultivation"
the words "or of harvesting" should
be inserted.

(ii) Revised rule 11— The
officer whose "prior permission" is
required is presumably the storehouse
officer.

(iii) Revised rules 24 & 25—
An important change is involved in
the proposal to entrust to the Sub-In-
spectors of the Salt, Akhbari & Customs
Dept. the duty of verifying consignments
hitherto performed by officers of the
grade of Tahsildars and Deputy
Tahsildars involves a very considerable
change. Its effect should be care-
fully watched.

2.

The draft notification
modified with reference to remarks

(i) and (ii) above will be published in the Port St. George Gazette.

Me
25/6/88

To

The Board of Revenue (S.R.)
" Supt, Genl Pwco (with note)
(From Orders)

35/2

20.7.98

20.9.02

REVENUE DEPARTMENT.

NOTES CONNECTED WITH G.O., No. 394, REVENUE, DATED
26TH JUNE 1899.

[SUBJECT.—Revision of the Intoxicating Drug Rules.]

Proceedings of the Board of Revenue (Separate Revenue), No. 100, dated
3rd May 1899.

To Secretary—

In the above Proceedings the Board of Revenue proposes to revise the Intoxicating Drug Rules published under G.O., No. 142, Revenue, dated 6th March 1897, and submits two draft notifications for publication in the Gazette.

2. The more important alterations are noted below :—

(i) The first alteration is to detach from the notification forms, such as applications, licenses, permits, &c., which were published as a part of it, and to omit the references to them from the rules; the object being to avoid application to Government for sanction to every modification which experience may show to be necessary in them. This explains the change in rule 31 (revised).

(ii) The second alteration is to forego the storehouse rent now levied under existing rule 13. The Board's arguments for this change are stated in paragraph 4 of its Proceedings. As the amount of rent depends on the time the drugs have been in store, it cannot be collected with the duty, which latter is paid by the purchaser into a Government treasury before he obtains a permit and applies to the vendors (existing rule 22). The only feasible plan in the opinion of the Board is to levy the rent in the shape of a cess, and a cess of one pie in the rupee of the duty is suggested. It recommends, however, with the full concurrence of the three Deputy Commissioners, that the rent may be foregone altogether. The amount

This may be done.

A. T. A. [BUNDEL].

now realized is only Rs. 1,000 a year, and the Board anticipates that the duty on increased removals will make up for the loss.

(iii) The existing procedure for the purchase of the drugs from the storehouse has been found to be cumbrous. The purchaser has now to pay the duty into a Government treasury and then to obtain a permit from the Collector before he goes to the storehouse (existing rule 22). It is proposed to dispense with the latter formality, and to empower the storehouse officer to issue permits when the drugs are issued. Before granting a receipt, the Tahsildar is to be required to satisfy himself that the intending purchaser is a licensed vendor, and to forward a letter of advice to the storehouse officer. These changes are embodied in revised rules 21 and 24, and the power to grant permits is conferred on storehouse-keepers by the second notification.

K9
22-6-99

(iv) The duty of verifying consignments is now discharged by Land Revenue officers (existing rule 26). As Collectors have complained of the additional work thus thrown on them, it is proposed to transfer the duty to Salt Sub-Inspectors. The necessary changes have been embodied in revised rules 24 and 25.

This is a very considerable change as hitherto Land Revenue officers of the grade of Tahsildar and Deputy Tahsildar have verified the consignments. The working of the new rule should be carefully watched.

A.T.A.

(v) The existing rules being rigid in certain particulars, it is proposed to make them a little more elastic. For instance, provision is made, in revised rule 2 for permitting the cultivation of the hemp plant in places other than the two taluks specified; in rule 11 for the transfer of the drugs to any one other than a licensed vendor; in rule 15 for not levying duty in exceptional cases; in rule 16 for the issue from the storehouse of less than the prescribed quantity as samples. Rule 19 omits the particular mode of disposal of shops laid down in existing rule 20 and also the reference to fixed upset prices. Rule 20 binds the wholesale vendor to supply any retail vendors, and not those within his district only. Rule 27 authorises the whole-sale vendor to issue permits to protect during transit consignments purchased from himself throughout the Presidency (*vide* also the first portion of the notification at the bottom of page 7 of the Board's Proceedings). A retail vendor is also permitted by the same rule to purchase from other retail vendors.

3. The modifications enumerated above and certain minor ones carried out in the rules all of which are underlined in the Board's draft notification may be approved. The rules are open to criticism in certain particulars—

(i) Revised rule 8 requires the submission of the application for permission to harvest the crop "through the Sub-Inspector, Salt, Abkari and Customs Department, of the range in which his land is situated." This formality is newly prescribed; but as the Sub-Inspector is an itinerant officer, it may put the cultivators to inconvenience. It is apparently intended by the proposed modification that the Sub-Inspector should inspect the fields before sending on the application; but this can be arranged for by the storehouse officer's receiving the applications himself and referring them to the Sub-Inspector for report.

To the Honourable Member—

The time has been extended to a week apparently to meet this very difficulty. The addition may therefore stand?

N. E. MARJORIBANKS.
17-6-99.

Yes.

A.T.A.

It would probably save time if they came through the Sub-Inspector.

N.E.M.

(ii) The second sentence of rule 9 has been newly added. The expression "the process of cultivation" appears to be incorrectly put for the harvesting operations; for, plants uprooted in those operations only can be used in the manufacture of the drugs. Provision for recovering the cost of destruction should be made when the uprooted plants are destroyed by the range Sub-Inspector.

"Process of cultivation" seems the safer.

N.E.M.
17-6-99.

Better say "process of cultivation or of harvesting."

A.T.A.

The cost of 2 or 3 sulphur matches and a little kerosine oil—seems unnecessary.

N.E.M.
17-6-99.

A.T.A.

(iii) Rule 11 refers apparently to the "prior permission" of the storehouse officer. It should be so specified.

(iv) In rule 24 provision is made for sending to the Collector intimation of the issue of permits and paragraph 5 of the Board's Proceedings states that he should keep them for information. The necessity for this is not evident.

Hitherto the Collector has issued the permits.

N.E.M.
17-6-99.

(v) In rule 27 it is proposed that purchases by one shopkeeper from another should be protected by permits granted by certain Government officers. It is feared that this restriction will cause great inconvenience. May the Board be asked to suggest a modification?

But at present a retail licensed vendor can purchase from a wholesale licensed vendor only? The addition grants a privilege for which the safeguard proposed seems necessary?

N.E.M.
17-6-99.
A.T.A.

V.K.R.
8-6-99.

To the Honourable Member—

There seems to be no objection to the Board's proposal except perhaps to the proposal that the Land Revenue officers should no longer verify consignments on arrival (rule 26 existing—rule 25 proposed).

The officer whose prior permission is necessary under rule (proposed) 11, i.e., presumably the storehouse-keeper, may be specified in the rule.

N. E. MARJORIBANKS.
17-6-99.

I accept the proposals subject to notes above.

A. T. A. [RUNDEL].
20-6-99.

To Secretary—

Please see draft below.

T.P.K.
22-6-99.
V.K.R.
22-6-99.

Issue.

N.E.M.
23-6-99.

[Issued as G.O., No. 394, Revenue, dated 26th June 1899.]

Government (1899) of Madras.
REVENUE.

Recd.

Regd.

1899.

Enclosures

Spare copies

G.O., No. 394, 26th June 1899.

JUNE.

Intoxicating Drug Rules.

Approving, with remarks, the revised — submitted by the Board of Revenue and ordering their publication in the *Fort St. George Gazette*.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following Proceedings of the Board of Revenue (Separate Revenue), No. 100, dated 3rd May 1899:—

Resolution—No. 100, dated 3rd May 1899.

The Board begs to submit for the approval and orders of Government the following changes in the Intoxicating Drugs Rules contained in Government Notification No. 157, dated 6th March 1897. The rules, so far as they relate to cultivation, manufacture, transport and possession, were brought into force from 1st August 1897, while those portions thereof that relate to the levy of duty, &c., came into force only from the 1st April 1898. The changes proposed are the result of the experience gained during a year's working of the existing rules. In most cases they speak for themselves and do not require detailed comment. A revised notification embodying the alterations suggested in these Proceedings is submitted herewith for publication in the *Fort St. George Gazette*.

2. In accordance with the recommendations of Mr. Meyer contained in paragraphs 22 and 23 of his letter disposed of in G.O., No. 438, Revenue, dated 6th August 1898, the I.D. forms have been detached from the rules and no reference to them has been made in the body thereof. The forms will be revised and circulated to officers concerned in a separate Proceedings and will be embodied in the Excise Manual now under revision.

3. The chief changes proposed by the Board are the abolition of the levy of storehouse rent at present collected under rule 13, the simplification of the arrangements for payment of duty and obtaining permits and the transfer of the duty of verifying consignments of intoxicating drugs from Tahsildars and Deputy Tahsildars to Sub-Inspectors of the Salt, Abkari and Customs Department.

4. The existing rules require the levy of a storehouse rent of eight annas a maund in the first month of storage, two annas a maund for the next eleven and one anna a maund thereafter on all intoxicating drugs placed in the storehouses at Daggupad and Kaniyambadi. These rules, owing to the impossibility of levying the rent when the duty is paid and to the fact that while the duty is paid by the buyer the rent is paid by the seller, present great difficulties in practical working. A number of suggestions for their amendment have been made, but none are satisfactory. The endeavour to calculate the rent as a fair charge on the building would result in the Daggupad cultivators paying much more than those at Kaniyambadi. Nor can a rate leviable on each maund issued be fixed with reference to the quantity stored in time for it to be levied by revenue officers with the duty. The most feasible arrangement that has suggested itself is that a cess of a pie in the rupee should be added to the duty. The Board would, however, greatly prefer, if Government sees no objection, to forego the rent altogether. The duty on the drug is already very heavy, the cultivators derive no gain from the use of the Government storehouse since their own places of storage are put out of use and they have to transport to it at considerable expense, and it is most essential to free them from restrictions and simplify the rules for controlling their operations as far as can safely be done. The actual loss to Government, if the rent is foregone, will be about Rs. 1,000 a year, to set against which will be the relief of

the cultivators from an added burden which they do not understand, a great simplification of the work of both Land Revenue and Salt, Abkari and Customs officers and not improbably an increase in the duty levied on ganja removed following the removal of the restriction. The recommendation is made with the full concurrence of the three Deputy Commissioners and the Board hopes that Government will see its way to accepting it.

5. The formalities which have to be observed under the present rules before a shopkeeper can get his ganja from the storehouse to his shop and open sales of the same are most unnecessarily complicated. He has first to pay the duty into a Government treasury and obtain a receipt, then to apply to the Collector for a permit (it may be remarked in passing that the Collector often lacks the information necessary for the filling up thereof, while the shopkeeper as often is uncertain as to the exact quantity he wishes to remove), then, having made terms with a cultivator, to ascertain the storehouse rent due on the particular ganja he wishes to remove; this has next to be paid into a treasury and a receipt obtained. On the receipt removal is allowed; but the shopkeeper has still to produce his ganja and papers before the Tahsildar or Deputy Tahsildar for verification before he can open sales. It is no matter for surprise if, in these circumstances, it is sometimes found difficult to dispose of shops and illicit are preferred to licit sales. Collectors have also complained of the additional work imposed on Tahsildars by the rules. The Board proposes to simplify the procedure by requiring that the duty (and cess for storehouse rent if Government decides to levy one) shall be paid to the Tahsildar of the taluk in which the shop or depot is situated, who, when granting a receipt, will verify the fact that the payer holds a shop or depot license as the case may be and will intimate the fact of the receipt having been granted to the storehousekeeper. This will be a sufficient authority to the storehousekeeper to make issues on agreement being come to between shopkeeper and cultivator. But in making them he will issue an advice in terms similar to the permit to the Collector of the district and Inspector of the circle in which the shop or depot is situated. The former will keep his copy for information, the latter will instruct the nearest Sub-Inspector to proceed to the shop or depot and verify the consignment without delay and before it is opened. To enable the storehouse officer to issue the necessary permits a draft notification amending Government Notification No. 156, dated 6th March 1897, is submitted for approval and publication in the *Fort St. George Gazette*.

6. The reasons for the other changes proposed are briefly given below:—

7. Rule 2.—Power has been taken to permit cultivation of the hemp plant in other places than the Bapatla and Polur taluks with the previous permission of His Excellency the Governor in Council. No necessity for such extension of cultivation has yet arisen, except in the case of the experimental plot in the yard of the storehouse at Kaniyambadi, but such necessity may at any time arise, more especially if it is found impossible at any time through fever to carry on operations in the Javadi hills, and the addition provides for such a contingency.

8. Rule 7.—A similar alteration has been made. As Government will remember a difficulty arose in 1897 from the fact that Kaniyambadi is not in the Polur taluk.

9. Rule 8.—It has been found that three days' notice before commencing harvesting is insufficient. The time has therefore been extended to a week.

10. Rule 11.—The Board considers that as far as possible all restrictions on the owner's power to get rid of his property—to Government or any proper person—should be removed. It has been thought best to leave the transferee indefinite, not with a view to permitting transfers to non-licensees generally, but in order to avoid legal difficulties about such transfers when they are found advisable.

11. Rules 13 and 14 of the old notification.—Rule 13 has been omitted with reference to the remarks in paragraph 4 *supra*. Rule 14 is only an instruction for the department and has therefore been removed from the notification.

12. Rule 13 (old Rule 15).—The Board considers that Assistant Commissioners may be entrusted with the duty of ordering the destruction of drugs not removed within two years. Provision for periodical stock-taking has been added.

13. *Rules 15 and 16 (old Rule 17).*—The rules as they at present stand do not provide for persons other than licensed vendors obtaining supplies from storehouses. Experience has proved the necessity for providing for cases of the sort, *e.g.*, when supplies are required by the Medical Storekeeper to Government, for export to Coorg or otherwise. Rule 17 has been modified accordingly. A minimum limit of issues from storehouses has also been added to the rules with reference to Board's Notification No. 6, dated 14th February 1898, based on Board's Proceedings, No. 45, dated 14th February 1898. Provision has also been made for the issue of samples for *bona fide* trade purposes.

14. *Rule 17 (old Rule 18).*—According to the strict letter of rule 18 the possession of five tolas of any preparation of ganja or charas or of more than one seer of any preparation of bhang without a license is prohibited. Presumably this was not intended, as the object was to fix a maximum limit of possession without license only for intoxicating drugs proper. The rule has been recast so as to penalize the unlicensed possession of preparations or admixtures which contain more than five tolas of ganja and charas or one seer of bhang. The amended rule has already been notified for the information of shopkeepers under the power delegated to the Commissioner in Government Notification No. 485, dated 13th July 1896.

15. *Rule 19 (old Rule 20).*—The manner of disposal of ganja shops has been left open. It is unnecessary for this to be provided for in the present notification. The old rule which fixed the upset prices was found unworkable when the duty was introduced and has been abolished.

16. *Rule 20 (old Rule 21).*—Supply by wholesale to retail vendors on payment of legal tender has been made compulsory and all restrictions as to the area in which supply is permitted removed in consideration of the small number of such licenses that are taken out.

17. *Rule 21 (old Rule 22).*—The foot-note to this rule has been struck out with reference to the remarks in paragraph 10 *supra* and this rule with rules 23, 24, 25, 26 and 27 amended with reference to paragraph 5.

18. *Rule 22 (old rule 23).*—Shopkeepers having complained of the absence of charas at the storehouses it is made clear that it is for them to arrange with the cultivators for drugs of any particular kind which they may require.

19. *Rule 27 (old Rule 28).*—Under this rule as it at present stands wholesale vendors are allowed to issue permits only if the consignments are not to be transported beyond the districts in which their depots are situated, and in other cases permits have to be granted by Collectors. This procedure is troublesome alike to the shopkeeper who obtains supplies from beyond his district and to the Collectors and the Board thinks it may be amended without danger by authorizing wholesale depotkeepers to issue permits to cover all consignments removed from their depots. The necessary modification has been made in the draft notification referred to in paragraph 6 *supra*.

20. Rule 28 as it at present stands does not clearly provide for a ganja shopkeeper obtaining his supplies from another shopkeeper. As wholesale depots will be few and far between the Board considers that the purchase of the drug by a shopkeeper from another shopkeeper should be permitted and that permits for such transport should be obtained from Land Revenue officers and in the Madras Town Circle from the Inspector and Assistant Inspectors of the Salt, Abkari and Customs Department.

(True Extract.)

(Signed)

C. G. TODHUNTER,
Acting Secretary.

To the Secretary to Government, Revenue Department,
with two draft notifications.

ORDER—No. 394, Revenue, dated 26th June 1899.

Separate Revenue No. 70.

The Intoxicating Drugs Rules, as now modified by the Board of Revenue are approved, subject to the following remarks:—

(i) *Revised rule 9.*—After the words "the process of cultivation" the words "or of harvesting" should be inserted.

(ii) *Revised rule 11.*—The officer whose "prior permission" is required is presumably the storehouse officer.

(iii) *Revised rules 24 and 25.*—An important change is involved in the proposal to entrust to the Sub-Inspectors of the Salt, Abkari and Customs Department the duty of verifying consignments hitherto performed by officers of the grade of Tahsildars and Deputy Tahsildars. Its effect should be carefully watched.

2. The draft notification modified with reference to remarks (i) and (ii) above will be published in the *Fort St. George Gazette*.

(True Extract.)

(Signed) N. E. MARJORIBANKS,
Acting Secretary to Government.

To the Board of Revenue (Separate Revenue),
the Superintendent, Government Press, with notification.

NOTIFICATION.

Under sections 10 to 18, 24 and 29 of the Madras Abkari Act (1 of 1886) and in exercise of all other powers enabling him in this behalf, His Excellency the Governor in Council is pleased to prescribe the following rules in supersession of those contained in Notification No. 157, dated 6th March 1897, as amended by Government Notification No. 351, dated 27th July 1897, and Board's Notification No. 6, dated 14th February 1898, for the cultivation of the hemp plant (*Cannabis Sativa* or *Indica*) and the manufacture, storage, sale, possession and transport of intoxicating drugs:—

In these Rules "Intoxicating drugs" means any intoxicating drink or substance prepared from any part of the hemp plant and includes ganja, charas, bhang and every preparation and admixture of the same.

"Ganja" means the dried flowering tops of cultivated female hemp plants which have become coated with resin in consequence of having been unable to set seeds freely.

"Charas" means the resinous matter formed on the flowering tops of cultivated female hemp plants when collected separately.

"Bhang" means the dried leaves of the hemp plant whether male or female and whether cultivated or uncultivated.

2. Licenses under section 12 of the Act will be granted for the cultivation of the hemp plant only in such parts of the Bapatla taluk of the Kistna district and of the Polur taluk of the North Arcot district as the Collector may from time to time prescribe, and in such other localities as may be approved by the Board of Revenue (Separate Revenue) with the sanction of the Governor in Council.

3. Applications for licenses to cultivate the hemp plant must be presented to the Tahsildar of the taluk in which the land which it is proposed to cultivate is situated.

4. The license issued will be in force for one fasli year only.

5. Before the issue of the license, the applicant will be required to execute a counterpart agreement, which shall be filed in the office of the Tahsildar.

6. No fee will be charged on the application, the license or the counterpart. A court-fee stamp of the value of one-anna must be affixed to the application for the license, and the counterpart agreement must be executed on an eight-anna general stamp paper.

7. A public storehouse will be provided in the neighbourhood of each area in which cultivation of the hemp plant is carried on for the deposit of the intoxicating drugs produced therein, and will be in charge of an officer of the Salt, Abkari and Customs Department.

8. The licensed cultivator shall submit an application through the Sub-Inspector, Salt, Abkari and Customs Department of the range in which his land is situated to the officer in charge of the storehouse for permission to harvest his crop and manufacture intoxicating drugs therefrom, not less than a week before he commences to harvest it. The application shall be accompanied by the license to cultivate, on which latter, the officer in charge will endorse the requisite permission to harvest the crop and manufacture intoxicating drugs therefrom at a place to be specified by him. He will issue at the same time a transport permit to cover the transport of the crop from the field to the place of manufacture and of the intoxicating drugs produced from thence to the storehouse. The permission granted may apply to the whole or a definite portion of the crop. The transport permit will allow a reasonable but not excessive time for the preparation of the intoxicating drugs, the whole of which shall be delivered at the Government storehouse within the period mentioned in the transport permit. The officer in charge of the storehouse will keep a register in which he will enter all orders granting permission to harvest the crop, and will scrutinize it daily during the manufacturing season to ascertain whether the produce is being duly transported to the storehouse.

9. During the harvesting of the crop and the preparation of the intoxicating drugs therefrom the licensed cultivator shall work under the general superintendence of the officer in charge of the storehouse and his subordinates, and shall comply with all orders given by him for safeguarding the revenue. All plants uprooted in the process of cultivation or of harvesting and not used for the preparation of intoxicating drugs shall be destroyed under the supervision of the officer in charge of the storehouse or under his orders by the range Sub-Inspector.

10. On the arrival of the intoxicating drugs at the storehouse the officer in charge will at once cause them to be weighed and taken into store, and mark the packages or deposit the intoxicating drugs in such a way as to admit of their future identification, and will grant a receipt for them.

11. The cultivator may, with the prior permission of the storehouse officer, transfer his intoxicating drugs whilst they are in the storehouse. A notice of the transfer shall be delivered in writing to the officer in charge of the storehouse who will record it in his books after such enquiry as he may consider necessary.

12. The officer in charge of the storehouse will grant owners and intending purchasers all reasonable facilities for inspecting the intoxicating drugs and transacting their business. He will also allow owners reasonable opportunities of taking such measures as may be necessary to keep their stocks in good condition, but will not permit any manipulation of them for the purpose of making other preparations.

13. The Assistant Commissioner of the Sub-division in which the storehouse is situated will take stock of the intoxicating drugs in the storehouse at such intervals not being greater than three months and in such manner as the Board of Revenue, Separate Revenue, may from time to time direct. He will be authorised at the time of such stock-taking to destroy any intoxicating drugs that have been in stock for more than two years.

14. All goods deposited in the storehouse shall be at the risk of the owners.

15. Duty at the following rates shall be paid before the removal of any intoxicating drugs from a Government storehouse unless the Board of Revenue with the previous sanction of Government shall direct otherwise:—

	RS.	A.	P.	
Charas	...	...	...	
Ganja	...	...	...	
Bhang	...	...	...	
	6	0	0	} per seer of 80 tolas.
	4	0	0	
	0	8	0	

16. No smaller quantity of intoxicating drugs than five seers of any one kind shall be removed from the storehouse at one time, except as samples to be sent to *bond fide* vendors.

17. The possession without a license of more than five tolas of ganja or of charas or of more than one seer of bhang is prohibited. The possession of preparations or admixtures containing more than the above quantities is similarly prohibited except under license.

18. Transport without a permit of quantities in excess of the maximum limits for possession without license prescribed in rule 17 *supra* is prohibited.

19. Licenses for the sale of intoxicating drugs will be of two descriptions—wholesale and retail. Wholesale licenses will be for the sale to licensed dealers only of intoxicating drugs in quantities not less than those specified in rule 17 and will be granted by Collectors on payment of an annual fee of Rs 15. The privilege of vending intoxicating drugs by retail will be separately disposed of. No licenses will be issued to females.

20. Every holder of a wholesale license shall be bound to maintain a depot at a place to be specified in the license, to keep therein an adequate stock of intoxicating drugs to the satisfaction of the Collector, and to supply them on payment of legal tender to all licensed retail vendors who apply to him. Licensees will be granted for the official year.

21. A licensed vendor desiring to procure intoxicating drugs from a public storehouse must first pay duty at the rates specified in rule 15 into the taluk treasury in which his depot or shop is situated. He will present with the money a chalan which may be obtained from the Treasury officer. The latter will, after assuring himself that the applicant is a licensed vendor, grant him a receipt and despatch by post a letter of advice to the officer in charge of the storehouse concerned intimating the payment of duty and the grant of a receipt.

22. Government does not guarantee the supply of intoxicating drugs of any particular sort. Licensed vendors must make their own arrangements for the purchase of the intoxicating drugs required by them from the owners of stocks in the storehouses. They shall be at liberty to purchase the quantity covered by a treasury receipt from more than one owner. On completion of arrangements for purchase the owners of stocks should apply to the officer in charge of the storehouse for delivery of the intoxicating drugs to the purchaser. The storehouse officer will then, on production of the treasury receipt by the latter, and after comparing it with the letter of advice from the treasury officer, superintend the delivery by the owners.

23. Unless the Board of Revenue order otherwise, the intoxicating drugs purchased shall be weighed first alone and a second time after packing. Each package shall be carefully sealed by the officer in charge of the storehouse so that it cannot be opened without the seals being damaged and it shall also be marked so that it can be easily identified.

24. The officer in charge of the storehouse will then issue a permit for the transport of the drug purchased and enter therein the net and gross weight of each package, its distinguishing marks and the period of currency of the permit taking care to allow reasonable but not excessive time for the consignment to reach its destination. He will at once intimate the fact of the issue of the permit to the Collector concerned and despatch by post to the Inspector of the Salt, Abkari and Customs Department of the Circle in which the depot or shop is situated a letter of advice informing him of the quantity of intoxicating drugs removed of each kind and the date on which the permit will expire. The latter officer will immediately forward the letter of advice to the Sub-Inspector of the range in which the depot or shop is situated who will without unnecessary delay proceed to verify the consignments.

25. The permit shall accompany the consignment, and while the latter is in transit shall be at once produced for inspection on the demand of any Abkari, Land Revenue or Police officer. On arrival at its destination the consignment must be kept with seals unbroken until verified by the Sub-Inspector of the range in which the shop or depot is situated. The latter, if he finds cause for suspicion, will detain the consignment and report the matter without delay to the Inspector for orders. If not, he will verify the quantity of drugs entered in the permit, enter the quantity received with his own hand in the account book maintained in the depot or shop and affix his signature thereto and return the letter of advice with a certificate of verification on the back to the Inspector to be filed in his office.

26. Consignments of intoxicating drugs must not be opened by licensed vendors unless and until they have been verified and passed in the manner prescribed in the last preceding rule.

27. Both wholesale and retail licensed vendors may purchase intoxicating drugs from wholesale vendors. Consignments so purchased must be protected during transit by a permit which may be granted by the wholesale vendor from whom the intoxicating drugs are purchased. Retail licensed vendors may also obtain their supplies from other retail dealers in which cases the consignment must be covered by permits granted by Tahsildars or Deputy Tahsildars in the dependent charge and, in the Madras Town Circle, by the Inspector and Assistant Inspectors of the Salt, Abkari and Customs Department.

28. Licensed vendors shall maintain accounts of their purchases and sales and file the permits for the intoxicating drugs received, and shall produce the same for the inspection of any officers of the Abkari and Land Revenue Departments not below the rank of Sub-Inspector, and Revenue Inspector, respectively, when called upon to do so.

29. Licensed cultivators and shopkeepers shall furnish such other accounts as the Collector may direct.

30. The Board of Revenue in the Department of Separate Revenue will issue such subsidiary instructions as may be necessary to the carrying out of these rules.

31. The applications, permits, accounts, etc., referred to in these rules must be in such form as may be prescribed from time to time by the Board of Revenue, Separate Revenue.

32. Whoever being a licensed cultivator harvests any portion of his hemp crop without permission, or fails to deliver the intoxicating drugs manufactured therefrom at the Government storehouse within the time specified in the transport permit, or manufactures intoxicating drugs in a place other than that specified on the reverse of his license or disobeys the instructions issued by the departmental officers in the matter of safeguarding the revenue; and whoever being a licensed vendor opens any package containing intoxicating drugs before they have been verified as required by the rules, shall be liable at the discretion of the Collector to a penalty not exceeding the sum of Rs. 200 for every such wilful act or omission. The imposition of a fine under the

last preceding clause shall not be held to prevent the prosecution of such persons for any offence which may thereby have been committed against the provisions of the Madras Abkari Act, 1886, or other law for the time being in force and relating to the abkari revenue.

33. Nothing herein contained shall affect any rules or notifications at present in force so far as they are not inconsistent with the rules now published.

Under section 4 of the Madras Abkari Act I of 1886, and in exercise of all other powers enabling him in this behalf, His Excellency the Governor in Council is pleased to make the following appointments in supersession of those contained in Notification No. 156, dated 6th March 1897, published on page 395 of the *Fort St. George Gazette*, dated 30th March 1897, Part I:—

Sub-section of section 4.	Appointment.	Local jurisdiction.
(b)	All licensed wholesale vendors of intoxicating drugs prepared from the hemp plant and, if the Board of Revenue shall so order, their managers and gumastahs, to perform all the duties of a Collector in respect of the issue of special permits for the transport of such drugs sold by themselves concurrently with the Collector and subject to the control of the Collector.	Throughout the Presidency.
(b)	The officers in charge of Government storehouses for the storage of intoxicating drugs prepared from the hemp plant to issue permits for the transport of the hemp crop to the place of manufacture, of the manufactured produce thence to the Government storehouse and of intoxicating drugs removed from the storehouses to shops and depots.	Do.

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