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Report on the Excise
Administration of the
Central Provinces and
Berar for the year
1927

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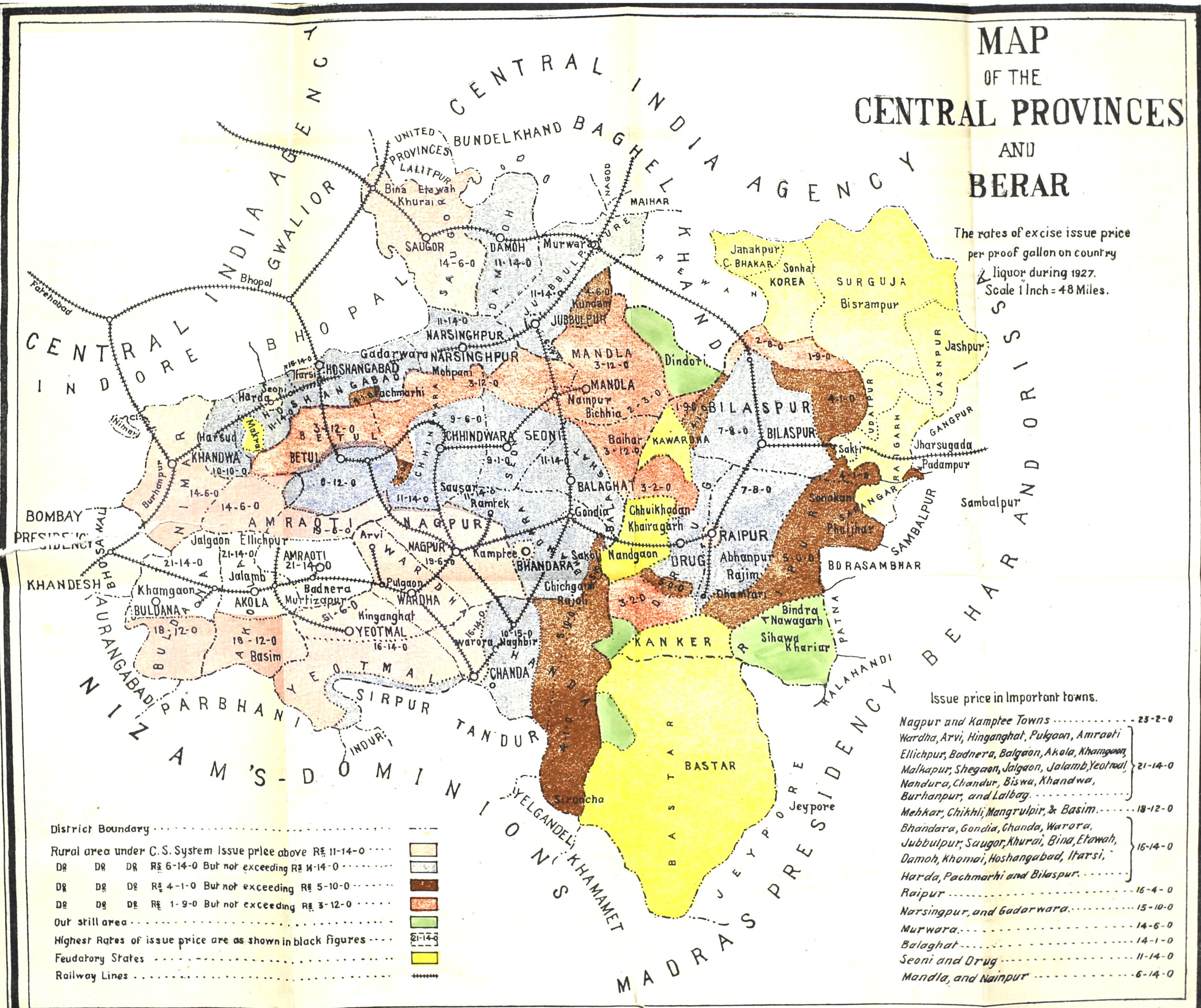
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MAP OF THE CENTRAL PROVINCES AND BERAR

The rates of excise issue price per proof gallon on country liquor during 1927.
Scale 1 Inch = 48 Miles.



District Boundary
 Rural area under C. S. System Issue price above Rs 11-14-0
 DR DR DR Rs 6-14-0 But not exceeding Rs 11-14-0
 DR DR DR Rs 4-1-0 But not exceeding Rs 5-10-0
 DR DR DR Rs 1-9-0 But not exceeding Rs 3-12-0
 Out still area
 Highest Rates of issue price are as shown in black figures
 Feudatory States
 Railway Lines

Issue price in Important towns.

Nagpur and Kamptee Towns	23-2-0
Wardha, Arvi, Hinganghat, Pulgaon, Amraoti, Ellichpur, Badnera, Balgaon, Akola, Khamgaon, Malkapur, Shegaon, Jalgaon, Jalamb, Yeotmal, Nandura, Chandur, Biswa, Khandwa, Burhanpur, and Lalbag.	21-14-0
Mehkar, Chikhli, Mangrulpir, & Basim.	18-12-0
Bhandara, Gondia, Chanda, Warora, Jubbulpur, Saugor, Khurai, Bina, Etawah, Damoh, Khomai, Hoshangabad, Itarsi, Harda, Pachmarhi and Bilaspur.	16-14-0
Raipur	16-4-0
Narsingpur, and Gadarwara.	15-10-0
Murwara.	14-6-0
Balaghat	14-1-0
Seoni and Drug	11-14-0
Mandla, and Nainpur	6-14-0

No. 314-184-XI.

GOVERNMENT OF THE CENTRAL PROVINCES.

SEPARATE REVENUE DEPARTMENT.

Nagpur, the 12th January 1929.

READ—

Report on the Excise Administration of the Central Provinces and Berar for the year 1927.

READ ALSO—

The District Reports.

RESOLUTION.

There are two main factors on which the consumption of excisable articles in any particular year depends; these are the economic conditions of the year and the facilities available to the public for obtaining such articles. One more was added to the succession of favourable harvests in Chhattisgarh, but in the north of the province nature was less bountiful, and in Berar the poor outturn of the cotton crop for the second year in succession combined with the low price obtainable for the produce left the labouring classes with little margin for luxuries. The circumstances of the year on the whole, therefore, even apart from the continued application of the policy of the restriction of consumption, were such that a decrease in the demand for all excisable articles was inevitable.

2. The policy of restriction is enforced by the maintenance of prices at a high level, by the gradual curtailment of facilities, and by the regulation of the hours of sale. During the year the issue price per gallon of country liquor was further enhanced in a number of instances, a new high record of Rs. 23-2-0 being established for the towns of Nagpur and Kamptee.

Similarly, the tree tax on tari was raised from Rs. 5 to Rs. 6 in four out of the five districts in which the bulk of the consumption occurs. The number of liquor shops was further curtailed by 56 to 2,238; and it is evidence of the vigour with which Government has applied its policy that the total number of shops has fallen by 1,287, or by more than one-third in the last eight years. The restrictions on the sale of liquors at festivals were continued and the system of the sale in sealed bottles, in order to minimize consumption in urban areas was extended to two more towns bringing the total to 25.

3. The combined effect of the character of the season and the policy pursued by Government is reflected in the statistics of consumption. For there was fall from 470,000 gallons in 1926 to 452,000 in the issues of country spirit the diminution being particularly marked in Berar. At the same time there was a corresponding decrease in the consumption of all other excisable articles including opium, ganja, hemp-drugs and cocaine. In only one respect do the statistics point to an increased resort to the use of drugs, an apparent increase in the total number of madak-smokers returned from 12,409 in the previous year to 13,308. The comparison, however, is fallacious and there is no reason to suppose that the number of addicts has risen; but special enquiries made during the year, as the result of public attention being focussed on this practice, have resulted in a number of names, which were previously omitted, being included in the returns.

4. Until two years ago the excise revenue has continued to expand under the present policy, allowance being made for climatic variations, but with the progressive enhancement of price accompanied by a decline in consumption it is obvious that the operation of the law of diminishing returns cannot be indefinitely postponed. It must not be assumed on a consideration of the figures of two comparatively unfavourable seasons that the revenue from excise has already passed the peak, but the very considerable fall in nett receipts during the present year, following on a similar decline in 1926, indicates that if the time has not already arrived when we must expect a steady diminution in this important

source of revenue that day cannot long be deferred. The total nett revenue for the year declined from Rs. 123 lakhs to Rs. 104 lakhs or by 16 per cent and in spite of the normal increase in the population, was less than it has been in any other year since 1922, when the receipts were abnormally low owing to the intensity of the campaign against the consumption of intoxicants. The gross revenue of Rs. 121 lakhs represents no less than 20 per cent of the annual resources of the province. It is far from the intention of Government to suggest that the stability of its finances is irrevocably dependent on a source of revenue which in the opinion of many is tainted; but no prudent man can contemplate with equanimity the gradual disappearance of a considerable portion of its resources, unless adequate substitutes are forthcoming. The policy adopted by Government is the direct result of the views to which the Legislative Council has given expression; and the imposition of further restrictions on the consumption of excisable articles, whether by means of curtailment, the facilities of sale or further enhancement of prices, will inevitably before long necessitate the tapping of alternative sources of revenue or the abandonment of schemes for the betterment of the province which cannot mature unless they are adequately financed.

5. It is hardly necessary to point out that the success of a policy of restriction of supply is entirely dependent on the ability of the Excise Department to enforce the law. As the gap between the cost of illicit production and that at which the Government controlled article is available widens, the profits of evasion of the law increase and with them the inducements offered to the staff to connive at malpractices. During the year there has been a marked decrease in the prosecutions and convictions under the Excise and Opium Acts and in the number of cases dealt with departmentally. The Excise Commissioner attributes this partly to the poor mahua crops and partly to the detection of a large number of cases of illicit distillation in the preceding four years. The number of cases in which it was found necessary to take serious disciplinary action against officials of the Excise Department is indicative of the temptations to which those officials are subjected, and

of the constant need for increasing vigilance on the part of those responsible for the administration.

6. The Excise Commissioner has compiled another interesting report. The Government of the Central Provinces (Ministry of Excise), realizes that its excise policy demands an increasingly high standard of conduct and administration and it acknowledges the good work done by Mr. Burton and the members of his staff, who have been brought to notice by him and various Deputy Commissioners and it desires to place on record its appreciation of those services, and of those of the District officials who have readily responded to the call for co-operation by the department of Excise.

ORDER.—Ordered, that a copy of this resolution be submitted to the Government of India, Finance Department (Central Revenues) and that a copy be forwarded to the Excise Commissioner, Central Provinces, for information and guidance; also that it be published in the supplement to the *Central Provinces Gazette*.

By order of the Government (Ministry of Excise),

N. J. ROUGHTON,
Secretary to Government,
Central Provinces.

No. S-184.

FROM

G. P. BURTON, ESQ., M.A., I.C.S.,

EXCISE COMMISSIONER,

Central Provinces and Berar,

TO

THE SECRETARY TO GOVERNMENT,

SEPARATE REVENUE DEPARTMENT,

Central Provinces.

Nagpur, dated the 25th April 1928.

SIR,

I have the honour to submit the report on the Excise Administration of these Provinces for the year 1927, together with the prescribed statements and the district reports.

I have the honour to be,

SIR,

Your most obedient servant,

G. P. BURTON,

Excise Commissioner,

Central Provinces and Berar.

[Maximum limit—30 pages].

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