

# Report of the Excise Committee appointed by the Government of Bombay, 1922-23

Volume I

### 30M.- A.:

PRINTE. AT THE GOVERNMENT CENTRAL PRESS

Copies obtainable from the Superintendent of Government Printing and Stationery,

Bombay, Poons, and from all Agents for the Sale of

Government Publications

1924

. Price—Rs. 2 As. 4

## OFFICIAL AGENTS FOR THE SALE OF INDIAN OFFICIAL PUBLICATIONS.

### IN EUROPE.

CONSTABLE & Co., 10, Orange Street, Leicester Square, W.C., London.

GRINDLAY & Co., 54, Parliament Street, S.W., London.

P. S. KING & SON, 2 & 4, Great Smith Street, Westminster, S.W., London.

KEGAN PAUL, TRENCH, TRUBNER & Co., Ltd., 68-74, Carter Lane, E.C., and 39, New Oxford Street, London, W.C.

B. QUARITCH, 11, Grafton Street, New Bond Street, W., London.

W. THACKER & Co., 2, Creed Lane, London, E.C.

LUZAC & Co., 46, Great Russel Street, London, W.C.

B. H. BLACKWELL, 50 & 51, Broad Street, Oxford.

DEIGHTON BELL & Co., Limited, Cambridge.

T. FISHER UNWIN, Limited, 1, Adelphi Terrace, London, W.C.

WHELDON & WESLEY, Limited, 2, 3 & 4, Arthur Street, New Oxford Street, London, W.C. 2.

EAST & WEST, Ltd., 3, Victoria Street, London, S.W. 1.

ERNEST LEROUX, 28, Rue Bonaparte, Paris.

MARTINUS NIJHOFF, The Hague.

OTTO HARRASSOWITZ, Leipzig.

FRIEDLANDER & SOHN, Berlin.

### IN INDIA.

HIGGINBOTHAM & Co., Madras.

V. KALYANARAMA IYER & Co., Madras.

P. R. RAMA IYER & Co., Madras.

THACKER, SPINK & Co., Calcutta.

W. NEWMAN & Co., Calcutta.

S. K. LAHIRI & Co., Calcutta.

R. CAMBRAY & Co., Calcutta.

THE ASSOCIATION PRESS, Calcutta.

THACKER & Co., Limited, Bombay.

SUPERINTENDENT, GOVERNMENT PRINTING AND STATIONERY, Poons.

D. B. TARAPOREVALA, SONS & Co., Bombay.

GOPAL NARAYEN & Co., Booksellers, etc., Bombay.

MRS. RADHABAI ATMARAM SAGOON, Bookseller, etc., Bombay.

RAMCHANDRA GOVIND & SON, Booksellers, etc., Bombay.

BOMBAY TRACT AND BOOK SOCIETY, Bombay.

N. B. MATHUR, N. K. H. Press, Allahabad.

MANAGER, THE "HITAVADA," Nagpur.

MANAGER, NYAYASHRAYA PRESS, Poona.

RAMA KRISHNA & SONS, Lahore.

SUNDAR PANDURANG (RAMNATH SUNDAR, the Successor), Bombay.

MANAGER, NEW KITABKHANA, Poons.

KARSANDAS NARANDAS & SONS, Surat.

N. M. TRIPATHI & Co., Booksellers, etc., Bombay.

MANGALDAS HARKISANDAS, Bookseller, etc., Surat.

KING & Co., Bombay.

MANAGER, SHRI SANKAR KARNATAKA PUSTAKA BHANDARA, Dharwar.\*

MANAGER, BUTTERWORTH & Co., Ltd., Booksellers, Calcutta.

MANAGER, INDIAN BOOK DEPOT, Bombay.

THE OXFORD BOOK AND STATIONERY COMPANY, Delhi.

THE STANDARD BOOKSTALL, Karachi.

<sup>\*</sup> For the sale of official Kanarese publications in the Belgaum, Dharwar, Bijapur and Kanara districts.

Rech: 1924



# Report of the Excise Committee appointed by the Government of Bombay, 1922-23

Volume I

### EXCISE COMMITTEE.

### APPOINTED BY THE GOVERNMENT OF BOMBAY, 1922-23.

### President.

The late Rao Bahadur Ganesh Krishna Sathe, B.A., LL.B., C.I.E., M.L.C. (up to 18th November 1922).

C. M. Gandhi, Esq., B.A., LL.B., M.L.C. (from the 13th February 1923).

### Members.

Rao Saheb Dadubhai Purshottamdas Desai, B.A., M.L.C.

Hooseinbhoy Abdoolabhoy Lalljee, Esq.

The Honourable Mr. B. V. Jadhav, M.A., LL.B., M.L.C.

The Revd. N. Macnicol, M.A.

B. F. Madon, Esq.

Jamshed N. R. Mehta, Esq.

The late Mr. P. J. Mead, C.S.I., C.I.E., I.C.S., M.L.C. (up to 22nd April 1923).

H. F. Knight, Esq., I.C.S. (from 15th May 1923).

Dr. S. W. Patil, L.M. &. S., J.P.

Jehangir Bomanji Petit, Esq., M.L.C.

Ambalal Sarabhai, Esq.

The Honourable Mr. W. C. Shepherd, B.A., I.C.S., M.C.S. (except from the 20th April to the 16th October 1922).

The Honourable Mr. C. M. Baker, C.I.E., B.A. (Oxon.), I.C.S., J.P., M.L.C. (from the 20th April 1922 to the 16th October 1922).

Secretary.

R. F. Gorvala, Esq., M.A.

### CONTENTS OF REPORT.

### SECTION I.

### Historic.

CHAPTE		•			PAG
I.	Liquor and Restric	e World		1	
II.	The Use of Liquor	••	• •	13	
III.	The Excise Policy		17		
IV.	The Excise Admin	istration of the Bombay Presidency	• •	••	36
		Section II.			
	•	Recommendations.			
V,	Proceedings of the			55	
VI.	Evidence of Witne			57	
VII.	Policy recommend	••		66	
VIII.	Local Option			82	
IX.	Rationing		••	90	
<b>X</b> .	Shops	• •	• •	97	
XI.	Advisory Committee	• •		106	
XII.	Special Licenses an	• •		110	
XIII.	Foreign Liquor		• •		113
XIV.	Toddy	·		• -	120
XV.	Finance		• •		124
XVI.	Drugs	·			129
XVII.	Summary of Recon	amendations	••		133
		SECTION III.			
•		Subsidiary Questions.			
XVIII.	Indian States and Foreign Territory		••		139
XIX.	Cantonment Areas				141
XX.	Temperance Reform and Temperance Teaching				143
XXI:	Industrial Alcohol		• •		147
XXII.	Palm Juice Industr	ies	••		148
	Minute of Dissent by	y Mr. H. F. Knight	••		151
	Do.	the Reverend N. Macnicol	• •		152
•	Do.	tne Honourable Mr. Shepherd	• •		153
	Do.	Rao Saheb Dadubhai P. Desai	• •		169
	Do.	Mr. Jamshed N. R. Mehta	••		171
	Do.	Mr. Ambalal Sarabhai	• •	٠	172
	Do.	Mr. Jehangir Bomanji Petit			174
	Appendices		••	• •	175

## SECTION 1 HISTORIC

и 783— с

### APPENDIX A.

MEMORANDUM BY THE HON'BLE MR. F. S. P. LELY C.S.I., DATED THE 10TH JANUARY 1924.

It is understood that during the discussion of the Budget the Additional Members of the Governor-General in Council are allowed much latitude in expressing opinions and making representations on matters connected with the administration. It is manifest, however, that an official member should avail himself of this freedom under special limitations. It is not becoming that he should pose in public as a critic of the Government he serves, or say anything which may be seized upon as a handle by agitators. At the same time if he has in his mind matters, which he thinks to be of grave importance, it may be that no objection will be taken to his recording them in a written note.

- 2. If this is accepted, I respectfully ask permission to submit in a few words the result of my general observation of the liquor traffic—not to suggest any change in the policy of the Government of India, but only to urge that its spirit does not entirely permeate those who have to carry it out.
- 3. If the views of the Government of India are correctly understood by me, it is recognised that liquor-drinking among the natives of India is an evil which in the best interests of rulers and ruled be resisted. Abkari revenue though it represents the chief means of repression in the hands of Government, yet bears a stain upon it. The money would be better got in almost any other way. There are large tracts of country where reductions or remissions of land revenue and increase of labourers' wages only means more expenditure on drink. There are large numbers of young men of the better class who are lost to the state and their families by acquiring the habit. Whether or not it is generally on the increase I am unable after much enquiry to say. The evidence of men who know native society is conflicting. It is probable that the Hindu reaction of the recent years may have had the result of checking the wholesale demoralization of the respectable classes which once seemed to be getting in. Yet the weekly vernacular magazine of one of the most advanced sects of Brahmins in Western India—the Anavla Brahmin often recurs, especially in its poetical columns, to the vice of drinking in words of regret and alarm. There is no doubt that in that community, if no other, it is spreading. The labouring classes, on the other hand, are not deterred by shame and the younger men among them, as soon as they get money, are tempted to the grog shop. It is also true that many who or whose fathers took opium are, since the restrictive measures on that drug, substituting liquor.
- 4. Now the policy of Government is fixed and the men who have to carry it out are loyal. And yet I have never met a native official or non-official, intelligent or otherwise, who does not firmly believe that Government fosters the traffic for the sake of revenue and would not willingly let it go. The reason mainly is that the administrators of all ranks are too prone to think that their work of prevention is done when the price has been raised to the highest practicable point, and when they have ascertained that new shops meet a demand and are not "nuisance" to neighbours. They do not realise that their aims should be first to put down illicit drinking and then to put down drinking altogether. The result is that the Abkari Department is often not in accord with the spirit of the Supreme Government and not in one line with the best moral sense of the country. The plan of campaign is right enough but the minor tactics are often wrong.
- 5. It is to bring to the notice of the Government of India the existence of this wide spread feeling that this memorandum is written. To withhold the supply of liquor altogether would be futile. To punish drunkenness, as the Marathas did, with flogging, fine or imprisonment would offend against the principles of modern jurisprudence. But it might be made more clear to the people that Government is on the side of abstinence.
- 6. I proceed to note a few instances of mistaken management which also by the way go far to explain the popular belief. When new shops are proposed the local officers are, as a rule, careful to get the opinion of the neighbours, but much less attention is paid to the position of old ones. Numerous shops exist on frequented high roads, in bazaars, near markets, near millsveritable traps to catch the weak, the thirsty, the tired, at their most susceptible moments. It is no defence to say that these sites have been so held for so long a time past. The fact remains that they attract by sight and smell many customers who would not enter them if they were not thrust upon their notices. I have reason to believe that this is true not of one part of India, but of many. It is on record that the late Rao Bahadur Ranchodlal Chotalal, C.I.E., a large mill-owner and non-official President of the Ahmedabad Municipality, among other efforts, moved the Collector to close two shops, one of which was in the centre of three mills and was "a great temptation to the labourers going to the mills." The Collector's reply was that "the sales show a large demand at the two shops and they cannot therefore be closed." In a recent conversation the intelligent Manager of one of the three mills stated "some of our workpeople are confirmed topers who would go any distance for drink, but most of them when they have money in their pockets step into the shop close by for the sake of company, because one urges the other to do so. If they had half a mile to walk for it, they would not go." It may be interesting to mention that Mr. Ranchodlal, though he was not successful in getting these shops removed, was able by influence with the body of mill-owners, to get wages paid once a fortnight instead of once a week, thus reducing the occasions of special temptation. He tried once a month, but this was resisted by the operatives and had to be abandoned.

- 7. Men of the class of Bhils will walk ten miles not only to get liquor, but to save a pie per bottle in the price. But to the great majority of travellers on the high roads, and persons of settled life propinquity often makes the difference between drinking and not drinking. It should, in my opinion, be made a standing order that all shops should be gradually and considerably, but as soon as possible, removed to not less than half a mile from places of common resort, such as main thoroughfares, markets, mills, docks, villages. Habitual drinkers would complain and the value of every shop would fall, but the motive of Government would be only appreciated by all the better men of the community.
- 8. There is some difference between villages and towns in this matter. It is with much regret that I have often seen the Government drinking shop in a populous village, and have heard it said (not without truth) that such and such well-known men have been tempted to slip across the road and become drunkards. Government already keeps down consumption among the poor by high prices. If it also imposed a distance test, it would save itself from much odium.
- 9. In towns of any size a half-mile from the outskirts would make the distance too great and would not be practicable. At the same time the liquor den in frequented places is a scandal which would be allowed to remain. In order to provide for those who are determined at any cost to get drink, without tempting others, it is suggested as a plan worth trying, that a street or space should be set apart for the liquor market. Gradually as opportunity occurred all the shops might be concentrated in this place which should be at a distance from the resorts of the people likely to be affected. It would, moreover, gain a bad repute as the place of drinking, so that a man of respectable caste would not venture to be seen in or near it for fear of exciting remark. This would be no small advantage in a country where public opinion is the only effective safeguard against the acquirement of vicious habits. It may be noted that in Surat 22 toddy shops and 7 liquor shops have been gathered together. The place, however, is badly selected as being a main street, and the scheme is partially worked out. Fully adopted, it would be congenial to native custom, which tends to aggregate every pursuit in its own quarter. It would also facilitate supervision.
- 10. It is not suggested that this change should be made by a tour deforce. In most places it would require forethought and even so the clamour of "vested interests" would have to be faced. The whole of the shops in a moderate sized town or group in a city, if they belonged to various licensees, would have to be dealt with together, for it would be manifestly unfair to remove some and leave others. Often it would perhaps be necessary to acquire a piece of ground for the purpose, but the expense would not be large for by the nature of the case as the land would be out-of-the-way and therefore not valuable. The cost would be recouped by ground-rents and Government as landlord would be in a better position to control the construction of the shops and other details. I would humbly suggest that the plan might be tried in selected places as an experiment.
- 11. Another practice which in my opinion unnecessarily compromises Government is that of granting leave to the local licensees to open temporary shops at "melas", i.e., assemblages for religion or trade. The presumption which is held to justify it is that when the people meet to enjoy themselves they will get liquor licitly if they can, and if not, then illicitly. But all private distillation by a population living in the open within a certain area could be easily detected by a sufficiently strong preventive staff. All intelligent native officials I have consulted agree that, if special shops were absolutely prohibited, the confirmed drinkers would bring with them a supply subjected to the Regulation forbidding the transport of more than a limited amount at one time; and that the large majority would be without. Thus abstinence would be encouraged, and the policy of Government would be cleared of misunderstanding which is now caused by the settling-up under the flag of State of a centre of temptation in the midst of a holiday gathering. Permission is usually given at the discretion of the head of the district. I would forbid altogether, except perhaps in special cases with the sanction of the Commissioner. It is not a matter into which the personal equation should enter. The moral effect would be undeniable and the feasibility of the proposal is further demonstrated by the facts that some heads of districts do withhold permission, and that in many cities it is a custom to close, for Police reasons, all shops at times of excitement like the Moharrum and the Holi. If local supply can be stopped during such periods, it might be also during a limited time within the area of a mela.
- 12. Melas that are prolonged for more than a few days should be treated on the analogy of towns.
- 13. According to my experience, shops even for country liquor usually contain a compartment more or less hidden from public view to which those ashamed to be seen drinking may retire. Thus an effective deterrent is done away with. It should be a rule under the license that only one large room should be provided and that without nooks and corners and without means of ingress or egress except in front. I am also informed by Mr. Bignell that in Calcutta some licensees have detached rooms at the back to which customers are invited to retire away from observation. They should be forbidden to keep up any rooms in addition to the shop for drinking or any other purpose, except for their own private residence or for storing liquor. The latter should not be open to the public and should be open to inspection at all times by authorised officers. These points are after all not of so much importance in the country shops as in the Europe liquor shops which chiefly are frequented by the better classes and castes.

- 14. Before leaving the country liquor shops it may be mentioned that when the system in vogue commits a whole district or a large part of it to a single contractor or licensee who assumes a semi-official position, he is likely to exercise a very objectionable influence. Nothing will prevent the people from regarding him as the agent of Government. When I was Collector of Surat, the Hindu Ghanchis (oil-pressers), from a desire to raise themselves socially, made a caste law that the drinking of liquor at their feasts should be stopped. It was a matter of common notoriety at the time that the Government contractor of the district, or his agents when they came to know of this, bribed the caste-leaders by offer of free liquor and otherwise to abandon their position. It is not likely that the temperance movement would have lasted in any case, but the sight of the Government man of business interposing to break it down was not a pleasant one. So far as it goes, it is an argument against maintaining licensees or contractors on a large scale as their action will be confounded with that of Government, and they are naturally bent on selling as much as they can; but on that question it is not the object of this memorandum to submit an opinion. The incident is merely taken from below the surface of native society to show how the general and regrettable disbelief in the sincerity of Government is not altogether perverse.
- 15. My impression is that the increase of Europe liquor shops is not everywhere sufficiently watched, though I do not wish to generalize from a too narrow experience. In Ahmedabad the number has been raised since 1891 from 7 to 12 though the population between 1891 and 1901 rose by only 25 per cent.; and even that increase was chiefly among the lower classes who do not demand European liquor. The latest shop opened (in 1903) in that city, in spite of protests, is nearly opposite the High School, and is provided with a side-passage leading to a back door which again leads to a private room. Within two minutes or so walk from the aforesaid High School are six shops for European and country liquor. I do not mean to suggest that they are frequented by any of the boys and have no reason to do so, but the fact that they are allowed to exist by express leave of the authorities may be and, as a fact, is lamentably misconstrued.
- 16. A frequent subject of remark already alluded to is the construction of Europe liquor shops with special secret accommodation for the higher castes to enable them to drink without being seen. There can be no question, I should think, that the abkari department everywhere should forbid this. In the City of Bombay, a clause is inserted in the license that "the doors and windows....not opening on to a public road shall be securely closed or barred with iron bars and wire netting unless for special reasons exemption is allowed." There is no such requirement in the mofussil. There should be. In all drinking places, except hotels, private rooms should be disallowed, and the remarks made in paragraph 13 above apply here also with still more force.
- 17. Generally speaking and considering the class of natives that is inclined to patronise each class of shops respectively, the Europe shop should be as prominent as possible for publicity deters, and the country shop should be as retired as possible for distance deters.
- 18. The above is not intended to be an exhaustive statement of the measures possible. Nor is it claimed that they, or others that might be suggested, are entirely free from objection or would be entirely effective. They are, however, practicable, and even if they failed of their immediate aim they would be politically wise as vindicating the motives of Government and showing people that it had no part or parcel in the perpetuation or spread of an impoverishing and degrading habit.

F. S. P. LELY,

Additional Member of the Governor-General's Legislative Council.

### Finance and Commerce Department. No. 2455-S. R., dated 21st April 1904.

To

The Secretary to Government, Revenue Department, Bombay.

Sir,

I am directed to forward for the consideration of His Excellency the Governor in Council a copy of a memorandum by the Honourable Mr. F. S. P. Lely, C.S.I., late additional member of the Legislative Council of the Governor-General, on the subject of the excise administration in India.

- 2. The nature and objects of the excise policy of the Government of India were exhaustively reviewed and expounded in their despatch no. 29, dated the 4th February 1890, and the following four principles, enunciated in paragraph 103 of that despatch, were accepted by the Secretary of State as those which should guide Local Governments and their officers in administering excise affairs:—
  - "(1) that the taxation of the spirituous and intoxicating liquors and drugs should be high, and in some cases as high as it is possible to enforce;
  - (2) that the traffic in liquor and drugs should be conducted under suitable regulations for Police purposes;
  - (3) that the number of places at which liquor or drugs can be purchased should be strictly limited with regard to the circumstances of each locality; and
  - (4) that efforts should be made to ascertain the existence of local public sentiment, and that a reasonable amount of deference should be paid to such opinion when ascertained."
- 3. In the same despatch the Government of India expressed the opinion that the total prohibition of the consumption of stimulants was impracticable in India, even if desirable; and this conclusion also was accepted by the Secretary of State. The present Government of India are in accord with their predecessors on this point, and they cannot accordingly go so far as Mr. Lely when he says that the ultimate aim of the Excise administration should be to put down drinking altogether.
- With this reservation the Government of India are in cordial sympathy with the spirit of Mr. Lely's proposals, and they are fully alive to the evil consequences of the habit of drinking to excess. It would be a matter of great regret to them if it were true, as stated by Mr. Lely, that the belief prevails generally among the Native Community that the Government deliberately fosters the liquor traffic for the sake of the revenue which it produces. This accusation was described in the Despatch of 1890 as "merely a mode of expression used for rhetorical purposes with the object of putting in a striking form the charge, that owing to our wish to increase the revenues, we do not go as far in discouraging drinking as we ought, or as those who make the accusation think we ought." And in the various general instruction which have been issued from time to time by the Government of India the raising of revenue has never been set forth as a primary object of excise administration. It is possible, however, that the spirit of these instructions has not permeated to all the officials who administer the excise laws, and the departmental officers may in some cases be led by zeal for the efficient administration of their Department to regard the revenue derived from the taxation of spirituous liquors as an end in itself rather than as a means of checking consumption. The Government of India desire that it may be impressed upon such officers that the growth of excise revenue is to be regarded as satisfactory only when it results from the substitution of light for illicit manufacture and sale, and not from a general increase of consumption. To quote the words of Mr. Lely, it should be made clear that the Government is on the side of abstinence.
- 5. Turning to the specific suggestions put forward in the memorandum, I am to observe that the Government of India entirely agree with Mr. Lely that close attention should be paid to the locality of existing shops. A bazaar may at any time spring up round a liquor shop, and other changes in the neighbourhood may make a nuisance of a shop which was originally free from objection. The Government of India consider that the location of existing shops should be periodically examined with a view to ascertaining whether it conforms to the rules in respect of sites, and that it should be laid down as a general rule that an established shop must not be allowed to remain on a site which would not be permissible for the location of a new shop.
- 6. In paragraph 7 of his memorandum Mr. Lely suggests that all shops be gradually removed to not less than half a mile from places of common resort. The Government of India doubt the expediency of a distance limit, and they consider that the rules in force in Bengal deal more satisfactorily with this point, so far at least as the location of a new shop is concerned. An extract from these rules is appended and I am to commend to it the attention of His Excellency the Governor in Council. These rules should, on the principle laid down in the last preceding paragraph, be applied with equal care to old established shops.
- 7. Mr. Lely's suggestion that in towns all the liquor shops should be concentrated in a isingle street or market does not commend itself to the Government of India. They see no

advantage, but rather reverse in bringing together all those who are in need of spirituous liquor, or in locating two or more shops in a place where it would suffice. The result would probably be mischievous in inducing persons who resort to the liquor market to drink more than they would otherwise do.

- 8. Mr. Lely further proposes that the grant of licenses to open temporary shops at fairs or religious gatherings should be forbidden except in special cases with the sanction of the Commissioner. The habits of the people are so widely different in different parts of India that the Government of India doubt whether any general rule on this point can expediently be laid down. In certain parts of the country and among certain classes where alcohol is drunk only on special occasions, such as marriage or funerals, it might be feasible and desirable to prohibit the sale of alcohol at public assemblies; but in other localities where the consumption of liquor in moderation is a general habit, the proposed restriction might prove an unnecessary hardship, interfering with a perfectly legitimate demand. The question is one which the Government of India must leave to the discretion of the local Government.
- 9. The Government of India are inclined to favour the suggestion put forward in paragraphs 13 and 16 of the memorandum that the provision of accommodation for private drinking in liquor-shops should be prohibited, and I am to ask that His Excellency the Governor in Council will consider whether it cannot be generally carried out.
- 10. The system referred to in paragraph 14 of the memorandum of granting a monopoly of the vend of the country spirit in a whole district to a single contractor prevails only in the Bombay Presidency and Ajmer-Merwara. In this connection I am to invite attention to the correspondence ending with Mr. McIntosh's letter no. 3620-Ex., dated 17th June 1903, on the subject of reforming or withdrawing that system.
- 11. In paragraph 15 of his Memorandum Mr. Lely raises the question whether shops for the sale of foreign liquor are not too freely opened. The statistics before the Government of India do not indicate any general increase in the number of such shops, notwithstanding the increase in the consumption of foreign liquor; moreover the Governor-General in Council does not regard the substitution of these shops for those in which country liquor is sold as an evil since the former presumably sell better liquor as a general rule. It may be, however, that in some places European liquor-shops are opened too freely or in unsuitable localities, and I am therefore to ask that the local Government will be on its guard against these possibilities.
- 12. In conclusion I am to ask that the action taken in pursuance of the instructions and suggestions conveyed in this letter may be stated in the next annual Excise Report and that that Report may notice any other measures, which it may be found possible to introduce with a view to checking the habit of drinking to excess. The subject is one which the Government of India regard as of vital importance to the welfare of the community, and it cannot be too strongly impressed on the administrating officers that the Government policy is to discourage drinking and to do all that is possible, without undue interference with the liberty of the subject, to suppress the degrading and demoralising habit of intoxication.

I have, etc.,
E. N. BAKER,
Secretary to the Government of India.

### APPENDIX B.

### EXCISE COMMITTEE.

### List of Questions.

- 1. Will you state your profession and what opportunities you have had of forming an opinion on the questions indicated below?
- 2. What is your opinion generally on (a) the excise policy of Government as laid down in the Government of India's letter F.D. 5001-Exc. of 7th September 1905, the substance of which is quoted below, and (b) the actual results of the policy as it has been carried out in practice? And do you consider that it has put an effective check on intemperance?

### EXTRACT FROM THE GOVERNMENT OF INDIA'S LETTER

- "The Government of India have no desire to interfere with the habits of those who use alcohol in moderation, this is regarded by them as outside the duty of the Government and it is necessary in their opinion to make due provision for the needs of such persons. Their settled policy, however, is to minimise temptation to those who do not drink, and to discourage excess among those who do, and to the furtherance of this policy all considerations of revenue must be absolutely subordinated. The most effective method of furthering this policy is to make the tax upon liquor as high as it is possible to raise it without stimulating illicit production to a degree which would increase instead of diminishing the total consumption and without driving people to substitute drugs for alcohol or a more for a less harmful form of liquor. Subject to the same considerations, the number of liquor-shops should be restricted as far as possible, and their location be periodically subject to strict examination with a view to minimise the temptation to drink and to conform as far as is reasonable to public opinion. It is also important to secure that the liquor which is offered for sale is of good quality and not necessarily injurious to health."
- 3. If you advocate any change in the above policy, what suggestions would you offer to improve upon it?
- 4. Are you in favour of total prohibition? If so, will you state, briefly, your reasons? Do you consider it to be a practical measure? If so, what steps would you suggest for carrying it out?
- 5. If you favour prohibition, total or partial, how would you meet the following among other objections usually urged against the adoption of this policy:—
  - (a) The facility of obtaining liquor by illicit means from palm trees, jaggery, kaju and other sources;
  - (b) The proximity of Native States and Portuguese territory and the impracticability of enforcing prohibition on them as well as on the neighbouring British districts;
  - (c) The customs and habits of certain classes in the Presidency and the possibility of serious discontent if those customs and habits are interfered with;
  - (d) The necessity of maintaining a preventive establishment large enough to cope with illicit distillation everywhere and the increased temptations to levy illegal exactions on the part of the establishment;
  - (e) The probability of people taking to other intoxicants and deleterious drugs.
- 6. What is your opinion on the argument frequently advanced that prohibition, although it might not be effective in the present generation, will have a large influence on the next?
- 7. If you consider that the end to be aimed at is the complete cessation of consumption of alcoholic liquor, is prohibitive legislation the only means in your opinion for attaining that object, or have you any alternative method, legislative or other, to suggest by which this goal can be reached?
- 8. Would you apply the principle of prohibition to all liquors, whether distilled or fermented? Would you, for example, prohibit the use of toddy or *shindi*?
- 9. If in your opinion absolute prohibition is not feasible or desirable, what means would you suggest to control consumption of all kinds of liquors and to gradually reduce it?
  - 10. The following are some of the means suggested of controlling consumption:—
    - (a) Rationing of shops;
    - (b) Increasing the price of liquor;
    - (c) Reducing the number of shops;
    - (d) Reducing days and hours of sale;
    - (e) Reducing the strength of liquor;
    - (f) Regulating the location of shops;(g) Restricting or prohibiting the importation and sale of foreign liquor;
    - (h) Regulating and where necessary prohibiting certain kinds of licenses;
    - (i) Prescribing age limit for customers of liquor;
    - (j) Encouraging temperance work by subsidising Temperance Associations or by other means;
    - (k) Restricting or prohibiting the removal of liquor from shops; and
    - Have you any constructive proposals to make on all or any of these means, or can you suggest any other means towards that end?

- 11. Are you in favour of the introduction of the principle of local option? If so, would you suggest the means by which local option should be exercised by the public?
- 12. Would you favour the suggestion of investing local bodies, e.g., municipalities and district or taluka local boards, with the power of determining the number and location of shops in their respective areas? If you are in favour of investing local bodies with such power, would you be in favour of making them responsible for raising any part of the revenues that would be sacrificed by the exercise of such powers in their area?
- 13. Have the existing Advisory Committees been found to be useful institutions? If not, what changes would you advocate in the constitution of these Committees?
- 14. Does the evil of drink contribute to an increase in crime and has it any effect on the output of work?
- 15. If the net result of the recommendations you would make be reduction or absolute extinction of excise revenue, what sources of income would you suggest to make up the loss?

### NOTE ON FINANCIAL SITUATION

### Submitted by Mr. P. J. Mead, C.S.I., C.I.E.

The net revenue from Excise may be taken at 3—4 crores. [The deficit due to prohibition or even severe restriction may be higher still, as establishments will require considerable strengthening, if illicit distillation is to be suppressed.]

Our other revenues are roughly :-

Land Revenue	• • •	••		••	4 crores.
Stamps (with new taxation)	• •	••	• •	• •	2—21 crores.
Foresta Irrigation	• •	••	••	. ••	87 lakhs. 21 lakhs.
Smaller receipts		••	••	••	3 crores.
	• •	• • •	• •		

10 crores.

And expenditure 13 crores (after deduction of book adjustments under Land Revenue and the 60 lakhs economies just effected).

All public services rendered have to be financed out of the above resources, e.g., Education, Medical, Courts of Justice, Police as well as administration generally. No Provincial revenue is derived from Customs, Railways, Income Tax and Salt. New taxation must add to existing rates of taxation or be entirely new. Sur-charges, e.g., on Income Tax can yield small sums only as the main revenue is ear-marked for Central purposes. At present expenditure and revenue are balanced with difficulty and savings by retrenchment are practically absorbed by the increasing demands of education.

- 16. Have you any special remarks to offer in the matter of prohibiting and restricting the use of opium and hemp drugs?
- 17. How far in your opinion is the custom of giving opium to young children prevalent, and among what classes? What effect do you consider this custom has on the death-rate among children?

### APPENDIX C.

PRESS NOTE NO. 84 DATED THE 16th JULY 1923.

Rationing of liquor in Bombay-Some misapprehensions.

In November of last year Messrs. Strathie and Shanmukham Chettiar, who had been placed on deputation to enquire into the temperance measures introduced in certain provinces including the rationing system in Bombay, presented their report to the Government of Madras. Certain statements in this report—extracts from which have been published in this Presidency—are liable to convey a misleading impression of the rationing policy of the Government of Bombay, and the attention of the Government of Madras has been drawn to the statements in question. In a letter to the Secretary to Government, Revenue Department, Madras, the Secretary to Government, Revenue Department, Bombay, said:—

"The statements to which I am to request the particular attention of your Government are those contained in paragraph 2 of Mr. Strathie's minute and paragraphs 4 and 25 of Mr. Chettiar's minute on the rationing system in Bombay. In the former it is stated that the object of the Bombay rationing system was 'to put a rigid limit to consumption and to bring about total prohibition within a definite period' while in the latter it is not merely stated that 'the obvious result of the system will be to bring about a complete prohibition of country liquor' within a few years but also that 'by adopting this system Government assumes direct responsibility for the actual quantity of spirit consumed and Government will thereby commit themselves to a policy of which the ultimate issue must be total prohibition. The logical result of rationing will be total prohibition within a definite period of time.'

"I am directed to say that these statements in an official publication are likely to be construed as an official pronouncement of the policy of this Government in the direction of prohibition and unless officially contradicted might create a false impression in the minds of the general public as to what the policy of this Government is towards this important question. I am therefore to say that although it is not inaccurate to say with Mr. Strathie that the Bombay rationing system was introduced to meet the popular demand for a forward policy in temperance matters it is incorrect to state or to suggest that this Government have embarked on a policy leading directly to prohibition. As a matter of fact, this Government have not hitherto considered what attitude it proposes to adopt towards the question of prohibition and are not at present prepared to make any public statement of its policy in that connection."