

*Thursday,*  
*16th January, 1896*

ABSTRACT OF THE PROCEEDINGS

OF THE

Council of the Governor General of India,

LAWs AND REGULATIONS

Vol. XXXV

Jan.-Dec., 1896

ABSTRACT OF THE PROCEEDINGS  
OF  
THE COUNCIL OF THE GOVERNOR GENERAL OF INDIA,  
ASSEMBLED FOR THE PURPOSE OF MAKING  
LAWS AND REGULATIONS,

1896

VOLUME XXXV



Published by Authority of the Governor General.



CALCUTTA

PRINTED BY THE SUPERINTENDENT OF GOVERNMENT PRINTING, INDIA,  
1896

*Abstract of the Proceedings of the Council of the Governor General of India assembled for the purpose of making Laws and Regulations under the provisions of the Indian Councils Acts, 1861 and 1892 (24 & 25 Vict., cap. 67, and 55 & 56 Vict., cap. 14).*

---

The Council met at Government House on Thursday, the 16th January 1896.

PRESENT :

The Hon'ble Sir A. E. Miller, K.T., C.S.I., Q.C., presiding.  
His Excellency the Commander-in-Chief, G.C.I.E., K.C.B., K.C.S.I., V.C.  
The Hon'ble Lieutenant-General Sir H. Brackenbury, K.C.B., R.A.  
The Hon'ble Sir C. B. Pritchard, K.C.I.E., C.S.I.  
The Hon'ble Sir J. Westland, K.C.S.I.  
The Hon'ble J. Woodburn, C.S.I.  
The Hon'ble Prince Sir Jahan Kadr Meerza Mubammad Wahid Ali Bahá-dur, K.C.I.E.  
The Hon'ble Mohiny Mohun Roy.  
The Hon'ble C. C. Stevens, C.S.I.  
The Hon'ble A. S. Lethbridge, C.S.I., M.D.  
The Hon'ble Sir G. H. P. Evans, K.C.I.E.  
The Hon'ble Alan Cadell, C.S.I.  
The Hon'ble J. D. Rees, C.I.E.  
The Hon'ble G. P. Glendinning.  
The Hon'ble Nawab Amir-ud-Din Ahmad Khan, C.I.E., Bahádur, Fakharuddoulah, Chief of Loharu.  
The Hon'ble Rao Sahib Balwant Rao Bhuskate.  
The Hon'ble P. Playfair, C.I.E.

NEW MEMBER.

The Hon'ble RAO SAHIB BALWANT RAO BHUSKATE took his seat as an Additional Member of Council.

CIVIL PROCEDURE CODE AMENDMENT BILL.

The Hon'ble BABU MOHINY ROY moved that the Bill to amend the Code of Civil Procedure and Statement of Objects and Reasons be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

24 *AMENDMENT OF INDIAN REGISTRATION ACT, 1877,  
AND INDIAN EVIDENCE ACT, 1872; AMENDMENT OF  
EXCISE ACT, 1881.*

[*Babu Mohiny Mohun Roy ; Sir James Westland.*] [16TH JANUARY 1896.]

INDIAN REGISTRATION ACT, 1877, AND INDIAN EVIDENCE ACT.  
1872, AMENDMENT BILL.

The Hon'ble BABU MOHINY ROY moved that the Bill to amend the Indian Registration Act, 1877, and the Indian Evidence Act, 1872, and Statement of Objects and reasons be published in the Gazette of India in English, and in the local official Gazettes in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

EXCISE ACT, 1881, AMENDMENT BILL.

The Hon'ble SIR JAMES WESTLAND moved for leave to introduce a Bill to amend the Excise Act, 1881. He said :—"The Bill which I ask permission to introduce is the outcome of the recommendations made by the Hemp Drugs Commission which sat during 1893 and 1894, under the presidency of Mr. Mackworth Young. That Commission made a very elaborate enquiry into the whole subject of hemp drugs and made certain recommendations on the subject. These recommendations were discussed by the Government of India in a Resolution which was published in the Gazette of India about a year ago. The general policy of Government towards hemp drugs, as recommended by the Commission, and, on their recommendation, adopted by the Government of India, is that there should not be an attempt to prohibit the cultivation and use of hemp drugs altogether, that is to say, to render their cultivation and their consumption penal under all circumstances. The adopted policy is that such restriction and control as the Government desire to exercise in reference to these drugs should be exercised by means of the imposition of taxation. Now, this Hemp Drugs Commission's inquiries have resulted in giving us a great deal of information regarding hemp drugs which we did not possess before, and the law as it stands with reference to the imposition of taxation upon these drugs having been drawn up and brought into force at a time when we did not know so much about them as we now know, is imperfect in some respects. In the first place the accepted principle of excise taxation on liquors and drugs in this country is, where it is possible, as follows : we attempt at the place of origin where liquors or drugs are produced to levy an initial tax by quantity, and we thereafter add to that a further taxation, obtained by selling privileges of vend. For example, in the case of liquors we obtain control over the liquor at the place where it is produced—the distillery—and before the liquor passes out of our control we levy a duty per gallon. In the

[16TH JANUARY 1896.] [Sir James Westland.]

same way opium is entirely cultivated under our control ; it is gathered in the factories, afterwards despatched to the Treasuries, and does not pass out of these Treasuries until the vendor who is licensed to distribute it pays to the Government not only the cost price but a considerable sum *per seer* in respect of initial duty. Unfortunately in the case of ganja the Government have not under the present law the power to impose this initial duty ; they can only tax it by means of licenses to vend and sale of privileges of vend. This does not give to the Government anything approaching to the taxation which, on a better system, might be levied upon the ganja, and does not carry out a recommendation of the Commission with the Government adopted, namely, that of imposing a sufficient control and restriction upon the consumption of hemp drugs by heavy taxation. Now, I ought to observe in the first place that I do not ask this Legislative Council to deal with these matters so far as they relate to the bigger Provinces of Bengal, Mâras and Bombay. Each of these Provinces has its own legislation on abkari matters, and whatever legislation is necessary will be undertaken under the legislative authority of the Local Governments. The Act which I propose to amend—the Excise Act of 1881—applies both to the Provinces of Northern India, the North-Western Provinces, the Central Provinces and the Punjab ; also to a small district in the south—Coorg—which happens to be under the direct administration of the Government of India ; and it applies also to Burma. But, with regard to Burma, I ought to observe that although the word ‘Burma’ appears in some of the amendments which the present Bill introduces into the Excise Act, we do not propose to make any alteration in the system of administration of hemp drugs in that Province. It is at present prohibited in that Province, but I regret to say that that prohibition exists far more upon paper than in reality. The Burmese and Chinese are, both of them, extremely good smugglers and have hitherto managed to introduce as much ganja into that country as would be consumed if we had a regular system of taxation and not of prohibition. Now, of these Provinces for which we propose to legislate—the Provinces of Northern India—some of them have local cultivation of the hemp plant, but most of them have not. One of the centres of local cultivation is Nimar in the Central Provinces, and the drug which is consumed in the North-Western Provinces is mostly obtained either from Bengal, where an extremely satisfactory system prevails, and where we have the drug completely under our control, or from Nimar, where, at present at least, we think the control may be improved. In the North-Western Provinces and the Punjab there is practically no local cultivation. The principle we wish to apply to the taxation of ganja is that each of these Provinces may be independent of every other one, and may manage its hemp drugs independently. It will,

(to be continued)

[Sir James Westland.]

[16TH JANUARY]

first of all, obtain an initial taxation by quantity. That it will do upon the drug cultivated in other Provinces and imported into the Province of consumption by the control exercised over the drug at the point of cultivation and the control exercise in respect of importation from the place of cultivation into the consuming Provinces. We do not intend that the levy of the tax shall take place as the very moment of storing the plant, or of obtaining it by importation. That would not necessarily suit the trade ; they may reasonably wish to keep the drug and store it until it passes into consumption. For that purpose we provide a system of bonded warehouses, and though ' bonded warehouses ' sound something very grand, they may really be nothing but a small godown within the confines of a central distillery ; we provide, therefore, that the drug may remain untaxed in these bonded warehouses until it finally passes out into the possession of the vendors. At that point, whether the drug is obtained from importation from outside British India, or merely from outside the Province in which it is consumed, we intend that the consuming Province will be able to levy its initial duty. As I have explained, the present Act does not give power to Local Governments to levy an initial duty, or to hold the ganja under complete control of Government officials, and it is for the purpose of giving them that power that I propose to amend the Act. I ought also to mention that this Excise Act of 1881 has been the subject of very many amending Acts, and at a later stage I shall propose either to the Council or to the Select Committee, in such a form as my hon'ble friend Sir Alexander Miller may tell me is the proper form, that the Council should pass not a mere amending Act in the form in which the Bill is now proposed to be introduced, but an amended Act containing all the amendments up to date. It will be a mere consolidation because I do not pretend that the Act as it stands is in every respect satisfactory. At the same time the Excise Act—an Act which very many officers of Government, and many people engaged in a large trade, are having continual recourse to, and are required to enter into the ins and outs of—I say it is extremely desirable that such an Act should be in a consolidated shape and not scattered over the Statute-book in half a dozen partial Acts. It is desirable, however, in the first place that the Bill should take the form of an amending Act in matters relating to ganja only, because in that shape it will be easier for the Local Governments and officers concerned to consider the precise proposals contained in the Bill, and to avoid considering at the same time other matters in connection with the administration of excise in respect of which there is not the same urgency."

The motion was put and agreed to.

1896.] [Sir James Westland.]

The Hon'ble SIR JAMES WESTLAND introduced the Bill.

The Hon'ble SIR JAMES WESTLAND moved that the Bill and Statement of Objects and Reasons be published in the Gazette of India in English, and in the North-Western Provinces and Oudh Government Gazette, the Punjab Government Gazette, the Central Provinces Gazette, the Burma Gazette and the Coorg District Gazette in English and in such other languages as the Local Governments think fit.

The motion was put and agreed to.

The Council adjourned to Thursday, the 23rd January 1896.

S. HARVEY JAMES,

CALCUTTA ; }      *Secretary to the Government of India,*  
*The 17th January 1896.*      }      *Legislative Department.*