Chapter II

PRODUCTION AND DISTRIBUTION SYSTEM
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Liquor was any alcoholic beverage produced by distillation, as distinguished from those produced by fermentation such as beer and wine. All distilled liquors, however, started with a fermented alcoholic solution. Here, the study covers the distilled liquor and those produced by fermentation and farming system.

ITEMS OF PRODUCTION

Many kinds of intoxicating liquor products were produced in Tamil Nadu. Toddy, spirits, beer, foreign liquor\(^1\), wine, arrack, brandy, whisky, rum\(^2\), medicated wine, cacoutchoucined and methylated spirits\(^3\), alcohol, Porter, Colombo arrack, perfumed spirit, gin\(^4\), vodka, port, sherry, champagne, cider etc. ‘Toddy’ means fermented or unfermented juices drawn from a coconut, palmyra, date or any other kind of palm tree. ‘Spirit’ means any liquor containing alcohol and obtained by distillation whether it was denatured or not. ‘Denatured’ means subjected to a process prescribed

\(^1\) Madras Act No. 1 of 1886, pp 212-213.
\(^3\) The Excise Manual, Part-III, Madras, 1907, pp 127-128.
\(^4\) Administration Report of the Madras Abkári Department for 1899-1900 (hereinafter referred to as ABK Report), Madras, pp 32-34.
by the State Government by notification for the purpose of rendering unfit for human consumption.\textsuperscript{5}

‘Liquor’ generally included spirits of wine, methylated spirits, spirits, wine, toddy, beer and all liquid consisting of or containing alcohol. Alcohol stout, porter and all other fermented liquors usually made from malt were included in the list of ‘beer’. Liquor manufactured in India on which duty of excise had not been levied or was not leviable at the full rates of duty chargeable or liquor imported into India from foreign countries by sea was known as ‘country liquor’. Alcohol liquor other than country liquor was known as ‘foreign liquor’. If any doubt arises for differentiating the ‘country liquor’ and ‘foreign liquor’, the State Government might settle the matter by declaring a notification.\textsuperscript{6}

**PRODUCTION METHOD**

Production included every process, whether natural or artificial, by which any fermented, spirituous or intoxicating liquor or intoxicating drug was produced or prepared and also re-distillation and every process for the rectification of liquor. Rectification includes every process whereby spirits were purified or coloured or flavoured by mixing any material there with. The mixing of sweet toddy with fermented toddy causes the former to ferment and the product was fermented liquor. The process by which this was brought about, therefore, amounts to production or manufacture.\textsuperscript{7}

\textsuperscript{5} Madras Act I of 1886, p 212.

\textsuperscript{6} Ibid., p 213.

\textsuperscript{7} The Excise Manual, Part-I, Madras, 1907, p 7.
Method of Country Arrack Distillation

1. Copper head
2. Middle earthen pot holding the receiver
3. Jar used as boiler
4. Fire place
Any fruit, grain or other carbohydrate source could produce a potable spirit, i.e., ethyl alcohol, more or less diluted with water and carrying volatile essences which give the characteristic flavour, according to the source material employed. A distillate of a fermented apple mash or of hard cider would have the characteristic colour and flavour of apples, and that of a rye or barley mash would have the flavours of one or the other of these grains. The temperature at which the distillation was carried out could control the strength of these flavours. Higher the temperature, the greater the concentration of ethyl alcohol in the distillate in other words, the distillate would be purer.

If a distillation was carried out at high efficiency and if the distillate was redistilled under controlled temperature conditions, the final produced of the still was colourless, flavourless ethyl alcohol. No testing or analysis can reveal whether its source was wine, beers, potatoes, fruit, grain, or sugar cane. Only an imperfect distillation, therefore, allows, along with the alcohol, the flavouring essences to pass over into the condensor. It was these, which condition the liquor's character.

Alcohol was produced by the fermentation and decomposition of any mash, mixture or solution that contains sugar in any form. The fermentation was the work of a minute living organism, capable of assimilating its own food, eliminating waste products and growing and multiplying. The mash containing sugar becomes alcoholic after fermentation. The sugar gradually became alcohol.\(^8\)

\(^8\) C. Rajagopalachari, *op. cit.*, p 2.
All the beer then made in the presidency was made from malt and hops in the same manner as in England. The malt was mostly imported from Europe. Some malt was however imported from the Punjab. After loafed in water the malt was kept warm until it sprouts. After few days it was roasted and crushed, placed in a tub at a warm temperature and allowed to ferment with years. It was then put in vats to clear. Hops were added to the beer to give it a bitter taste and the stupefying effect. The active element in hops was the same as in ganja, bhang or charas. Ale and porter were the same as beer, but the flavouring was different.

Port, sherry and champagne were wines made by fermenting grape juice. Cider was produced by the fermentation of apple juice. Usually wines contain 10 to 25 per cent for alcoholic strength. Stronger wines than 13 per cent, which was the limit of direct fermentation, were made by what was called fortifying. In that method pure alcohol was added to the wine. The names of the wines were derived from the places of manufacture.

Toddy was made out of the juice tapped from the coconut, palmyra or any variety of palm trees. Fresh juice was not an intoxicant. It had the same food value as sugarcane juice. If one drunk a glass of palm tree juice in the morning instead of drinking tea etc. he should not need anything else for

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10 Ibid., p 452.
12 Ibid., p 6.
13 Ibid., p 5.
breakfast. As in the case of sugarcane juice, palm juice could be boiled to make palm jaggery. Several varieties of palm grow spontaneously in our country. All of them yield drinkable juice. But this juice was fermented and toddy was prepared.\textsuperscript{14}

The preparation of toddy was a familiar price in every Madras village. Throughout the northern districts it was drawn both from the date and from the palmyra palm, in the southern districts and on the West Coast from the coconut and palmyra.\textsuperscript{15} The alcoholic strength of toddy was usually 8 to 12 per cent.\textsuperscript{16}

Date-toddy was the fermented juice of the date palm. Making an incision in the bark of the trees and letting it exude extracted the juice. It might be taken at any period of the year, but only for three months out of the twelve from each tree. Date-toddy was largely used in the upper portions of Salem and in parts of North Arcot.

Palmyra-toddy was another variety. This was obtained from the palmyra tree by squeezing the young shoots in a rude apparatus contrived for the purpose, after their ends had been cut off. After eight days of this process the juice begins to exude. The male trees produce toddy from January to April, and the female from February to May. These trees were found in almost every district, but they were most plentiful in the southern districts of the eastern coast.

\textsuperscript{15} C.D. Maclean, \textit{op. cit.}, p 451.
\textsuperscript{16} C. Rajagopalachari, \textit{op. cit.}, p 6.
Coconut toddy was obtained from the coconut tree by the same process as the palmyra toddy. The liquor may be drawn at any period of the year, but not for more than six months from each tree. Coconut toddy was very largely in demand in the Tanjore district and in parts of Trichinopoly.\(^\text{17}\)

Whisky was a spirit distilled from a fermented grain mash of malted corn, wheat, oats, barley or rye or a mixture of these cereals. The grain was ground into coarse flour and made into a mash and fermented. The fermented mash was boiled over a slow fire and the vapour was condensed and diluted and coloured and flavoured into whisky. Blended whisky generally carries no specific grain designation in its name. It was a mixture or blend of straight whiskey, or several straight whiskeys, with neutral grain spirits. The neutral spirits make the whiskey lighter and less flavours, without reducing its alcoholic content. Blending enables a distiller to stretch his stock of aged, straight whiskeys and at the same time satisfy the public taste for a mild flavoured spirit. Scotch whisky was usually a blend of the different types of whiskies, both produced in Scotland. The quality of a scotch whisky depends largely on the skill with which the whiskies were blended. Blending was done when the whiskies were three or four years old. Rum was similarly distilled from the fermented juice of the sugarcane or from fermented molasses or mixtures of these.\(^\text{18}\)

\(^{17}\) C.D.Maclean, \textit{op. cit.}, p 451.

\(^{18}\) C.Rajagopalachari, \textit{op. cit.}, p 5.
Caoutchoucined and methylated spirits were spirits rendered effectively and permanently unfit for human consumption by the admixture of caoutchoucine and wood-naptha, respectively.\(^1\)

Arrack or country spirit was distilled from fermented solutions of cane or palmyra jagiry, date jagiri and molasses, or from a combination of these substances, together with a small quantity of acacia bark.\(^2\) It was also made from cornflowers. In the taluk of Trichinopoly the arrack was made from rice.\(^3\) The country spirit, which was in most general use throughout the Presidency, was an ardent spirit, transparent and colourless like gin.\(^4\)

Gin was very simple alcoholic liquor, being nothing more than pure alcohol, pure water, and flavouring vodka, the simplest of alcoholic beverages, usually consisting of alcohol and water without additional flavouring. Distilling fermented grape juice produced Brandy. It contains higher percentage of alcohol than wine. But brandies and wines were also artificially made by mixing alcohol derived otherwise with water and of the substances to produce the colour and taste of grape brandy or wine.\(^5\) All the food value of the original grain or fruit was lost by the fermentation.\(^6\)

\(^1\) Excise Manual, Part III, p 128.
\(^2\) Report on the system of the Abkári Administration in the Presidencies of Madras and Bombay (hereinafter referred to as ABKA) from 1874 to 1887, p 38.
\(^3\) ASMP, p 4.
\(^4\) ABKA, p 38.
\(^6\) Ibid., p 6.
DISTILLERIES

Many types of distilleries were there in Tamil Nadu during the British rule. Public distilleries, private distilleries and contract distilleries were some of them.

In Madras there were no public distilleries. There were only private distilleries belonging entirely to European or native firms. Those distilleries were regularly controlled and inspected by the Abkári Department.\textsuperscript{25}

Messrs Morison's distillery at Ranipet and Arcot might be taken as a specimen of the large private distilleries of Tamil Nadu. It was established in the year 1842, originally on a smaller scale and had been gradually enlarged. Continuous distillation was carried on day and night, if necessary, when there was sufficient fermented material ready to be worked off.

The best European machinery was employed in the distillation. One of the stills was supplied by the well-known English makers, Pontifex and Wood and cost about £ 2000. The distillation was effected by steam supplied from a boiler. The material was passed through the receiving vat, the analyzing column, the condensing cylinder, and the refrigerator, until the pure spirit was seen passing away to a large vat marked as capable of containing 2158 gallons.\textsuperscript{26}

There was another still by a French maker. There were also a rectifying still and a gin still on the premises. The average out turn was

\textsuperscript{25} ABKA, p 45.

\textsuperscript{26} Ibid., p 56.
A process of Distillation

1. A large copper vessel, i.e. still
2. An earthen vessel
3. A copper vessel used as condenser
4. An earthen pillar on which the vessel containing cold water was placed
5. An earthen vessel
6. A tube
7. Stream of water
8. The tube from which surplus water was thrown out
9. The vessel into which the surplus water was thrown
10. The tube through which the spirit passes into the receiver
11. Spirit, distilled
12. Receiver
13. An earthen vessel by which waste was taken out after distillation
about 1000 gallons\(^{27}\) of arrack a day. By this distillation, the fusel oil was eliminated completely. The spirit was purer than the spirits made by the native process. There were rows and rows of fermenting jars and barrels in three long sheds. This distillery fulfilled the whole requirements of North Arcot and also sent large quantities to Madras and Chingleput.\(^{28}\) Messers Morison had other distilleries also, at Palmaner in the North Arcot district and at Salem.\(^{29}\)

The private distillery system made free competition among distilleries. There was no exclusive privilege of manufacture in any of the areas over which it extends. The manufacture was also separated from sale.\(^{30}\)

Under the contract distillery system, the exclusive privilege of manufacture and supply of country spirits throughout a district or other specified area was disposed of by tender. The still head duty to be paid to Government on each gallon issued was fixed and contractors were invited to state at what rate over and above the duty they were prepared to supply spirits of certain specified strengths at a central source of supply in each contract area. To protect the Government against loss the contractor was bound by the condition known as that of a 'minimum guarantee'. Accordingly if the duty realized did not reach a certain sum, the

\(^{27}\) Gallon: a liquid measure equal to 4 quarts (231 cubic inches). It is equal to 3.7854 litres.

\(^{28}\) ABKA, p 56.

\(^{29}\) Ibid., p 57.

a. Fire place made of mud
b. Copper deg
c. Earthen hollow dome in which Bamboo pipe \( h \) is attached to let the liquor escape to earthen pot \( e \).
d. Copper still head. Top hermetically sealed under \( c \).
g. Earthen pot with cold water falling over \( d \) through Bamboo pipe \( k \) ultimately finding its way to earthen jar \( f \) through semicircular (split) Bamboo pipe \( i \).
Government had right to cancel the contract or that the contractor undertakes to pay a certain minimum sum as duty even though the issues were of a quality on which a similar duty was payable. The successful contractor had the monopoly of supply of liquor of his own manufacture to retail vendors within the area of his contract.  

Even though the distillation method for arrack might have many forms, the form most usual in Tamil Nadu gave the exclusive privilege of manufacture to the contractors. The contracts under the system were disposed of for a fixed period, usually a term of years. Rules and Regulations were passed by the Government to control them.

The contractors usually sublet their contracts at a profit. However, sometimes they adopted the system of apportioning the outside villages among a number of sub-renters and of retaining the principal town of the tract in their own hands. Occasionally they deal with the shopkeepers directly in each village. In certain cases, the contractors had been required by Government to manage a particular taluk or town themselves, a limited number of stills only being allowed with a view to preparing the way for the introduction of the excise system.

About 1859-60, the production was placed in the hands of large capitalists by selling entire districts. After ten years trial, however the Government reverted to the former system of taluk stills. The Madras

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31 Ibid., p 123.
33 ABK Report for 1885-86, p 33.
34 C.D.Maclean, op. cit., p 453.
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The areas under the Private distillery system of Arrack Revenue in force

X: Private Distillaries
Abkári Act-I of 1886 entirely repeated the previous Acts. However, the contract system continued. The contractors made their own arrangements for obtaining material. The monopoly was subject to the condition that liquor manufactured by any other person on the European process might be exercised by the Government and brought into the market for sale on payment of the import rate of duty prescribed for similar articles.

**Breweries**

Breweries were the place where beer, alcohol etc. were made from malt and hops by steeping, boiling and fermenting. Two important breweries at work in Tamil Nadu were the Murree, Brewery at Ootacamund and the Castle Brewery at Aravanghat. Messers Leishman & Co owned both of them.

As the consumption of beer increased, more people applied for establishing breweries. Now the government decided to issue licences for establishing more private breweries. The board of Revenue granted licences for the establishment of breweries to respectable applicants on payment of an annual licence fee of Rs.15. The establishment of breweries was restricted to hill stations upto 1890. From 1890-91, breweries were permitted anywhere. However, no breweries were established in the plains. No government establishments were stationed at breweries, but the brewers

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35 ABK Report for 1885-86, p 33.
37 ABK Report for 1890-91, p 62.
38 ABK Report for 1892-93, p 8.
accounts, which must be kept in a form prescribed by Government, were systematically examined and duty was levied on all beer issued for consumption.  

To prevent the issue of spirit washes under the name of beer, samples of the worts and beer were occasionally taken and analysed to ensure the observance of the conditions. The original gravity of the worts should not in any case exceeded 1073°, and that the quality of the beer should be such as to satisfy the Commissioner of Abkári.

The Breweries in Tamil Nadu could not supply the required quantity. Hence M.R.Ry Chelvaraya Mudaliar, Proprietor of a brewery at Bangalore, applied for permission to supply beer from his brewery to certain tavern-keepers in the North Arcot, Salem, Coimbatore and a few other districts. He expressed his readiness to pay the prescribed duty on such imports and to otherwise conform to the rules and conditions governing the case. His request was sanctioned.

After new licences were issued, one more hill brewery came into prominence. Then the three hill breweries of Tamil Nadu worked throughout the year, and supply was increased. The increase of 35614 gallons in quantity and Rs.2226 in duty was attributed to the fact that the people,

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41 Government Order (hereinafter referred to as GO), dated the 20th September 1896, Mis. No. 3683 Revenue.
owing to the stress of the season took very largely to this cheaper kind of drink in preference to other high priced liquors.\textsuperscript{42}

There was also a larger demand for the Nilgiri beer in Bangalore and other outstations. More beer imported from Bangalore, as per the Government Orders.\textsuperscript{43} In order to stop beer import from Bangalore, it was necessary to start new Breweries in Tamil Nadu. Two of the breweries, viz. the Nilgiri and the Castle, formerly, the property of the late firm of Messrs Leishman & Co., were worked by Messrs Munihuchanna & Co., the proprietors of the rose and Crown Brewery and practically held the monopoly of the beer production in Tamil Nadu.\textsuperscript{44}

The beer produced on the Nilgiri and Castle Breweries was of two kinds, namely English and Native. The former prepared from malt and glucose and the latter from less malt and jaggery. Both were found to be of a high class throughout the year, well hopped, and in very good condition. In the Rose and Crown Brewery no English beer was produced. But the Native beer was also on analysis found to be well hopped and in good condition though the acidity was higher than in English samples of the other breweries.\textsuperscript{45}

During the period 1905-06, one more hill brewery worked throughout the year. The total quantity beer manufactured during the year was 514557

\begin{footnotes}
\footnotetext[42]{ABK Report, 1899-1900, p 34.}
\footnotetext[43]{G.O. No.1098, Revenue, dated 4\textsuperscript{th} March 1898.}
\footnotetext[44]{ABK Report, 1899-1900, p 34.}
\footnotetext[45]{Ibid., p 34.}
\end{footnotes}
gallons. Deducting 25727 gallons on account of wastage at 5 per cent, the net quantity amounted to 4,88,830 gallons.\textsuperscript{46}

The British Brewery at Ootacamund was closed from 1\textsuperscript{st} April 1906 and the remaining three breweries on the hills worked throughout the year. The total quantity of beer manufactured was 607088 gallons. Deducting 30354 gallons on account of wastage at 5 per cent, the net quantity amounted to 576734 gallons.\textsuperscript{47} Production was increased in the subsequent years. The net production for 1907-08 was 742651 gallons.\textsuperscript{48}

Towards the end of the year 1911, Messrs Mc Dowell & Co., Managing Agents of the Madras B.B.B. Brewery Company Limited, was granted a licence to open a brewery at Naduvakarai, Saidapet taluk, Chengelpet district. No beer was, however, issued from the brewery.\textsuperscript{49} After the temperance and prohibition movements, the production of beer considerably decreased.

**SUPPLY SYSTEM**

Supply was to give, furnish or provide what was needed. Hence import, transport and other methods adopted during the British Government to make the liquor reach at the consumption point is dealt under the supply system.

\textsuperscript{46} ABK Report, 1905-06, p 11.
\textsuperscript{47} ABK Report, 1906-07, p 12.
\textsuperscript{48} ABK Report, 1907-08, p 12.
\textsuperscript{49} ABK Report, 1911-12, p 14.
Import means, means to bring into Tamil Nadu from sea, or from foreign territory or from any other part of British India.\textsuperscript{50}

Regarding supply, a system known as ‘dowle’ was working in Madras town for certain years. According to this system, supply of spirit was under the direct management of the Government. The retail dealers were asked to enter into an agreement with the Government called ‘dowle’ by which he was bound to sell specific gallons of liquor for specific period. The shopkeeper had to pay for the quantity at a fixed price including excise duty. If he had failed to sell the quantity, he should return what he could not sell into stock, and was allowed credit only for the cost price of the liquor, and the difference between this and the price at which Government issued it, i.e. the excise, is maintained as a demand against him. If he did not draw the amount of his ‘dowle’, the excise on the quantity short was realized from him. But this system was discontinued.\textsuperscript{51}

The excise monopoly supply system was another method adopted. Under this system, the exclusive privilege to supply the liquor to the taluk vendors and independent shopkeepers was given to the approved tender. He usually offered to supply the liquor to the shopkeepers at the cheapest rate per gallon.\textsuperscript{52}

The excise free supply system was another type. It was in fact the English system. But, the name had been somewhat misunderstood. This did

\textsuperscript{50} Excise Manual, Part-I, p 6.
\textsuperscript{51} Excise Manual, Part III, p 123.
\textsuperscript{52} ABKA, p 47.
not mean that the supply of spirits was free. Under that a head duty was 
levied at a fixed rate and the licenced taluk venders and shop keepers were 
free to get supply at a fixed rate from any distillery or brewery.\footnote{Ibid., p 48.}

‘Monopoly supply’ and ‘free supply’ system were introduced in Tamil 
Nadu in the later half of 1884-85.\footnote{ABK Report for 1885-86, p 73.} Under the monopoly supply system, the 
manufacturers were granted the privilege of supplying liquor to the 
shopkeepers.\footnote{Ibid., p 3.} Under the free supply system taluk vendors and independent 
shopkeepers were asked to obtain the liquor required by them from any 
licenced distillery or warehouse after paying the prescribed duty.\footnote{Ibid., p 4.}

From 1888-89, the ‘monopoly supply’ system was known as contract 
distillery supply system.\footnote{ABK Report, for 1888-89, p 1.} From the same year the ‘free supply’ system was 
known as ‘private distillery supply system’.\footnote{Ibid., p 70.} In the subsequent years, the 
private distillery supply system proved to be effective. This system worked 
successfully in the following districts of Tamil Nadu, throughout the year 
namely Madras, Chingelput, Nort Arcot, South Arcot, Tanjore, 
Tiruchirappalli, Madurai, tirunelveli, Coimbatore, Nilgiris and Salem.\footnote{Ibid., p 3.} The 
same supply system continued throughout Tamil Nadu in the subsequent 
years of twentieth century.\footnote{Ibid., p 10.} As prohibition was extended one district after
another, the supply was affected. However, upto independence the supply system continued.

**CONSUMPTION**

When the liquor reached the retail shops, people used to buy them. According to their monetary capacity they used to consume foreign liquor to toddy. People of Tamil Nadu consume more country spirits than foreign liquor.

Following was the comparative study of liquor consumption in three provinces:

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60 ABK Report, for 1917-1918, pp 1-2.
63 C.Rajagopalachari, *op. cit.*, p. 11.
64 Ibid., p 12.
Consumption of Country Spirits in three Provinces

Madras : 16,00,000 proof gallons
Bombay : 14,00,000 proof gallons
Bengal : 5,75,000 proof gallons

Foreign Liquor Consumption

Madras :
Bombay :
Bengal :
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Showing the areas served with Molasses and Jaggery Arrack

Area served with molasses arrack
Area served with jaggery arrack
Besides this, the toddy tree owners were allowed to tap toddy from their trees for domestic consumption. Hence the quantity of liquor consumption was more in Tamil Nadu than any other province. For tapping of toddy producing trees and the drawing of toddy there from, licences were issued on the application of tree owners for not more than five trees for the drawing of toddy required for 'bona fide' domestic consumption but not for sale.\(^\text{65}\)

Every year, the consumption increased. By the year 1900 in the district of Tirunelveli and Madras town circle, there was considerable increase in the consumption. The reason for increase in the consumption in Tirunelveli was attributed to the labour employed on the Tirunelveli–Quilon (Kerala). Railway works and at the pearl fisheries\(^\text{66}\). Average consumption per head of the population was high in the Madras town and lowest in the rural tract of Tanjore.\(^\text{67}\)

Due to the favourable character of the season in Madras and South Arcot, the consumption further increased in the subsequent years. Due to the abundance of the groundnut harvest in South Arcot, there also consumption increased.\(^\text{68}\)

During the year 1906-07, there was a decrease of consumption in the districts of Madras, Tirunelveli, Coimbatore and Nilgiris. But in all other

\(^{65}\) ABK Report for 1897-98, p 23.

\(^{66}\) ABK Report for 1899-1900, pp 11-12.

\(^{67}\) ABK Report, for 1901-02, p 5.

\(^{68}\) ABK Report, for 1902-03, p 4.
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Showing the areas served with Molases and Jaggery Arrack
districts, there was on the ascending. By the year 1908-09, there was a decrease in the consumption due to the increase of duty.

By the beginning of the second decade of the twentieth century, due to the temperance movement and enhancement of excise duty the consumption slowly decreased. The Indian National Congress, side by side with freedom movement, took care of the health of the people and resorted to prohibition. Hence the consumption decreased in the subsequent years.

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69 ABK Report, for 1906-07, p 54.
70 ABK Report, for 1908-09, p 5.
71 ABK Report, for 1913-14, p 4.