

CHAPTER - XII

OTHER SOURCES OF REVENUE IN COOCH BEHAR

1. INTRODUCTION

In Cooch Behar the following major branches of administration were noticed under Revenue Department.

(a) Land Revenue, (b) Excise Revenue, (c) Stamp Revenue, (d) Income Tax and (e) Export Duty. We have discussed in detail the Land revenue of Cooch Behar in earlier chapters, hence in this chapter we will discuss the other sources of revenue in Cooch Behar State.

2. EXCISE REVENUE

The most important sub-heads of the Revenue was Excise. Formerly, the excise revenue used to be derived from two sources : (i) Abkari Mehals and (ii) Mushkarat Mehals. The Abkari Mehals included all rights connected with the manufacture and sale of country spirits, while the Mashkarat Mehals had reference to the sale of Opium and Ganja. These mehals used to be farmed out by the Dewān to the highest bidder. The purchaser of the Akbari Mehals enjoyed a monopoly for the whole state, and he and his sub-lessees could open shops wherever they pleased, and brew liquor of any strength they liked. It is interesting to note that the revenue derived from this auction sale was very small ; it amounted to Rs. 86 only in 1864. In Cooch Behar State, the British Government Excise system was introduced in the year 1869. After the promulgation of Government rules in the State, a distillery was opened at Cooch Behar, in September, 1869, a second was afterwards opened at Balarampur in July 1870. The third distillery was opened at Mekhliganj in 1874. From that time Mekhliganj became the centre of an Excise division of the State, while Cooch Behar was the centre of the other¹.

The following table shows that since the institution of an Excise Department in 1869 the Excise revenue has steadily increased, although the use of drugs and spirits has received every possible discouragement at the hands of the authorities :-

Table : XII-1

Year	Revenue	Average of revenue for 5 years
1865-66	Rs. 12	Rs.
1866-67	2,337	
1867-68	5,645	
1868-69	13,721	
1869-70	15,798	7,503
1870-71	22,900	
1871-72	31,230	
1872-73	34,665	
1873-74	36,732	
1874-75	40,088	33,123
1875-76	41,114	
1876-77	45,701	
1877-78	48,819	
1878-79	52,649	
1879-80	51,751	49,807
1880-81	59,223	
1881-82	62,635	
1882-83	63,402	
1883-84	65,002	
1884-85	69,152	65,883
1885-86	64,939	

Table : XII-1(Contd.)

Year	Revenue	Average of revenue for 5 years
1886-87	Rs. 66,733	Rs.
1887-88	64,312	
1888-89	62,226	
1889-90	67,110	65,064
1890-91	75,260	
1891-92	74,384	
1892-93	72,426	
1893-94	82,358	77,350
1894-95	82,224	
1895-96	82,514	
1896-97	87,613	
1897-98	76,135	
1898-99	85,635	
1899-1900	87,117	83,802

[Source : H. N. Chaudhuri, The Cooch Behar State and its Land revenue Settlement, p. 375].

The spirit of the Excise Law of British India (Act. VII of 1878, as amended by Act. I of 1883) was followed in Cooch Behar State since 1883².

In the Cooch Behar State there were 23 Country Spirit, 80 Ganja, 50 Opium and Imported Liquor shops, or a total of 163 shops in the whole State in the year 1942. In settling the Excise and Opium shops in the State the Auction system and the Rules applicable to the Auction system as laid down in Section 111 of the Rules framed by the Board are follows³.

As regards the Country Spirit shops, the outstill system was followed in the State. Under this system the licence holder pays to the State the license fee per month for working between Sunrise and sun-set a single still only and for opening a shop of his spirit under conditions laid down in the licence⁴.

The Excise Revenue from out stills which was Rs. 67,584 in the year 1941-42 decreased to Rs. 61,310 in the year 1942-43. The Revenue from duty levied on consumption of Ganja decreased from Rs. 27,088 to Rs. 24,250 and that from duty on Opium increased from Rs. 57,785 to 60,115 in the above periods. The current demand of Excise Revenue for the year 1942-43 was Rs. 2,45,261 against Rs. 2,27,066 of the previous year showing an increase of Rs. 18,195. The collections amounted to Rs. 2,43,335. The incidence of the Excise Revenue per head was 0-6-1 (Annas Six and pie one) only in the year 1942-43 on the basis of the population of the Census of 1941⁵.

The total demand of land revenue for 1942-43 amounted to Rs. 29,58,735. The total collection was Rs. 16,28,398, leaving a balance of Rs. 13,30,337 for recovery⁶. But in the case of Excise revenue for the year 1942-43 the total demand amounted to Rs. 1,92,033 and the total collection amounted to Rs. 1,90,033, leaving a balance of Rs. 2,000 for recovery. It is clear from this that land revenue was more in comparison to Excise revenue⁷.

The poppy used to be grown and Opium manufactured in the State under the Maharaja Narendra Narayan, the cultivators had to sell the produce to the former at a price fixed by the latter. As very little supervision was exercised over the cultivators, they could retain large quantities of opium in their possession. This weak system was very favourable for the extensive use of opium. The British Government had under its consideration the question of

control of the manufacture of the drug and of poppy in the State from as far back as 1822. But owing to the limit of the cultivation and other causes nothing positive was done until 1867. Colonel Haughton prohibited the cultivation of poppy in Cooch Behar under the specified penalties, in 1867 and the British Government agreed to supply the drug to the State at cost price which was fixed at Rs. 7-4 per seer⁸. The State realised a duty at Rs.22 a seer.

In the case of Ganja the farmer formerly made his own arrangements for procuring the drug from Rangpur, the British Government realising the duty on the quantity purchased by him. On representation being made to Government that the Maharaja was entitled to levy duty on the Ganja consumed within his own territory, authority was given in the middle of 1871 to procure Ganja at cost price from Rajshahi⁹. A few inferior sort of Ganja was also often grown by the people near their own houses ; this practice was stopped long ago. The whole of the duty in the case of both opium and Ganja goes to the State as revenue, no royalty being charged by the British Government on what they sell to the State.

3. STAMP REVENUE

Before the time of Maharaja Narendra Narayan Stamp paper was not in use in the Cooch Behar Courts. Instead of Stamps there was in vogue a system of charging fees on cases instituted, under the name of "Institution fees". This used to yield between 6,000 and 7,000 Narani Rupees a year. The introduction of Stamps was a reform effected by the Maharaja Narendra Narayan who passed a Stamp Act in 1861.

The Stamp Law of 1861, was four months after its passing amended in the year 1862, and penalties for the breach of the Stamp Law were

inserted in the Code. A further amendment of the Law was made in April 1866, on the abolition of the Narani Coinage, regarding the mode of computation of the value of Stamps from Narani to British Government rupees¹⁰.

In 1891, the settlement of rent was made compulsory to be on Stamp paper within the limit of the Stamp Law¹¹.

Like every other sources of income, the history of the Stamp revenue of the State was a history of rapid progress. In 1864-65, the Stamp revenue amounted to Rs.25,965. In 1883-84 at the time of the ascendance of Maharaja Nripendra Narayan it was Rs.1,32,833 ; and it came up to Rs.1,70,730 in 1899-1900, although the amount had been exceeded in the three previous years i.e. from 1896-97 to 1898-99. The table given below shows the amount of Stamp revenue, year by year, for the two administrations, nameiy, the British administration during the period of minority of Maharaja Nripendra Narayan, and the direct administration under the Maharaja after the installation in 1883 :-

Table : XII-2

Year	Total Stamp revenue Rs.	Year	Total Stamp revenue Rs.
1864-65	25,965	1869-70	71,226
1865-66	32,717	1870-71	76,503
1866-67	53,648	1871-72	87,315
1867-68	63,339	1872-73	88,076
1868-69	69,433	1873-74	91,039

Table : XII-2 (Contd.)

Year	Total Stamp revenue Rs.	Year	Total Stamp revenue Rs.
1874-75	1,04,684	1888-89	1,45,353
1875-76	96,819	1889-90	1,38,750
1876-77	1,19,603	1890-91	1,31,469
1877-78	1,16,781	1891-92	1,46,426
1878-79	1,40,252	1892-93	1,58,819
1879-80	2,05,138	1893-94	1,53,406
1880-81	1,14,076	1894-95	1,61,442
1881-82	1,23,796	1895-96	1,60,151
1882-83	1,27,957	1896-97	1,71,131
1883-84	1,32,833	1897-98	1,75,515
1884-85	1,50,499	1898-99	1,92,686
1885-86	1,53,973	1899-1900	1,70,730
1886-87	1,49,670		
1887-88	1,43,796		

[Source : H.N.Chaudhury, The Cooch Behar State and its Land Revenue Settlements, p.379).

4. INCOME TAX

Only in the year 1889, a proposal was moved by the Vice-President of the State Council to introduce Income Tax in Cooch Behar. He puts forward the argument that the land revenue leviable upon the agricultural classes in Cooch Behar had been raised by about 25 per cent during the period of first settlement. So he suggested the imposition of an Income Tax on the non-agricultural classes on the principles obtaining in British India. Maharaja Nripendra Narayan also considered that, under the prevailing financial pressure,

it was advisable to levy an income tax and though that the rate to be imposed might be considered on receipt of a report from the Dewán, Babu Kalica Dass Dutt, on the subject. On receipt of the Dewan's report, the matter was again discussed in the State Council. It appeared that by adopting the rates of income tax obtaining in British India, a sum of about Rs. 18,000 only would be derived. The matter was therefore kept in abeyance¹².

The Cooch Bihar Income Tax Act (Act.No. V of 1941) came into force from 1st April, 1941. The demand for the year 1942-43 was Rs. 71,533 income tax and Rs.13,492 super tax against Rs.93,268 income tax and Rs.9,419 super tax respectively of the preceding year. The fall in the demand of the year as compared with that of the preceding year is due to the reduction in the rates of income tax. This demand again, was further reduced on account of adjustment of refunds due in respect of assessments for 1941-42 completed before the notification reducing the rates of income tax was published. The net demand of income tax thus came down to Rs. 23,290. Net collections amounted to Rs.27,598 income tax and Rs.11,010 super tax. The excess over the demand of income tax was due to excess collections and advance payments made during 1942-43. The total expenditure of the income tax department in Cooch Behar for 1942-43 was Rs. 17,884 against Rs.19,611 of the preceding year. The percentage of expenditure to the total revenue was 46 per cent¹³.

5. EXPORT DUTY

The Cooch Behar Export Duty Act (Act VI of 1941) had its scope extended in February 1942 to include duty on bamboo and Simul and Bhelli. The rate of duty on tobacco was raised from 3 annas to 4 annas with effect from the 1st April 1943, in connection with the levy of new duty on bamboos and Simul and Bhelli.

The total collections during the year 1942-43 on account of duty on bamboo were Rs. 69,251 - 11 against the revised budget estimates of Rs.85,000, the collections of duty on bamboos were Rs. 1,694-15 and those of Simul and Bhelli were Rs. 965-10-9 the detail of which are given below. The fall in collection on duty on tobacco, was among other causes, due to unsettled conditions of tobacco market, due to spread of war in the east considerable restriction in the supply of wagons and strictest control over boats and commandeering of some of these which seriously interfered with river-borne traffic in tobacco.

The statement showing collections of Export Duty Sub-division wise during the year 1942-43.

Table : XII-3

Name of the sub-division	Tobacco	Bamboo	Simul & Bhelli
[a] Sadar (Cooch Behar)	8,155-5-3	23-12-0	342-2-3
[b] Tufanganj -	175-1-9	85-5-0	0-9-0
[c] Dinhata -	20,534-0-3	147-7-6	235-9-0
[d] Mathabhanga -	22,735-11-3	100-10-6	383-7-6
[e] Mekliganj -	17,651-8-6	136-12-0	3-15-0

The total expenditure during the year 1942-43 was Rs.22,503-1-1 against Rs.26,538 in the previous year, the percentage of expenditure to total income being 31 percent, against 45 per cent of the preceding year¹⁴.

There were other sources of revenue in Cooch Behar State but those departments have had most insignificant role in the revenue administration hence those were not considered in this chapter.

SUMMARY

Land revenue forms the most important item of revenue of the State exchequer. We have already discussed the land revenue of Cooch Behar in earlier chapter. In this chapter we will discuss four other major heads of revenue, such as, (1) Excise revenue, (2) Stamp revenue, (3) Income tax and (4) Export duty.

1. EXCISE REVENUE

In the very early period of British administration in Cooch Behar the Excise revenue derived from this head was very small. In 1864, the amount derived from the head was only Rs.86. The British Government Excise system was introduced in Cooch Behar in the year 1869. Distilleries were opened at Cooch Behar, Balarampur and Mekhliganj in September 1869, July 1870 and 1874 respectively. In the very first year i.e. 1865-66 the amount of excise revenue derived was only Rs. 12 and the amount collected in the next year was Rs.2,337. During the span of thirty five years the amount increased from Rs.12 to Rs.87,117.

The spirit of the Excise law of British India (Act VII of 1878 as amended by Act I of 1883) was followed in Cooch Behar State since 1883. In Cooch Behar there were 23 Country Spirit, 80 Ganja, 58 Opium and Imported liquor shops or a total of 163 shops in the whole State in 1942. As regards the Country spirit shops British Government system was followed in the State.

The excise revenue from outstills was derived Rs. 67,584 in 1941-42 decreased to Rs. 61,310 in 1942-43. The revenue from Ganja decreased from Rs. 27,088 to Rs. 24,250 and that from duty on Opium increased from

Rs. 57,785 to 60,115 in the above periods. In the case of total Excise revenue for the year 1942-43 the total demand amounted to Rs.1,92,033 and the total collection amounted to Rs. 1,90,033.

Colonel Haughton prohibited the cultivation of Poppy in Cooch Behar under specified penalties in 1867 and the British Government agreed to supply the drug to the State at cost price which was fixed at Rs.7-4 per seer. The State realised a duty of Rs. 22 a seer.

2. STAMP REVENUE

Stamp paper was not in use in Cooch Behar Court prior to 1860. The introduction of stamps was a reform effected by the Maharaja Narendra Narayan who passed a Stamp Act in 1869. The suitable amendments of the law were made in 1862 and 1866. In 1891, the settlement of rent was made compulsory to be on Stamp paper, within the limit of the Stamp Law.

Like other sources of income, the Stamp revenue of the State was also increased very steadily from the very beginning. In 1864-65, the Stamp revenue amounted to Rs. 25,965. In 1883-84 it was Rs. 1,32,833 and it came up to Rs. 1,70,730 in 1899-1900.

3. INCOME TAX

In 1899 a proposal was moved in the State Council for introduction of Income Tax in Cooch Behar State. The arguments for introduction of income tax was that the land revenue leviable upon the agricultural classes in Cooch Behar had been raised by about 25 per cent during the period of first settlement. But it appeared that by adopting the rates of income tax obtaining in British India, a sum of Rs. 18,000 only be derived. The matter was then kept in abeyance.

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NOTES AND REFERENCES

- [1] Harendra Narayan Choudhuri, The Cooch Behar State and its Land Revenue Settlements, Cooch Behar, 1903, p. 373.
- [2] Ibid, p. 373.
- [3] Excise Manual, 1891, Cooch Behar, p. 47.

- [4] The Annual Report on the General Administration of the Cooch Behar State for the year 1942-43, p.24.
- [5] Ibid, p.26.
- [6] Ibid, p. 13
- [7] Ibid, p. 27.
- [8] Resolution of the Government of Bengal, dated the 17th November, 1866, and also see the Annual Administration Report of Cooch Behar State for the year 1865-66, Para 1.
- [9] The Annual Administration Report of Cooch Behar State for the year 1874-75, Excise Department, Para 4.
- [10] H. N. Choudhuri, Op.cit., p. 377.
- [11] The Annual Administration Report of Cooch Behar State for the year 1890-91, Para - 14.
- [12] The Annual Administration Report of Cooch Behar State for the year 1889-90, Para - 72.
- [13] The Annual Report on the General Administration of the Cooch Behar State for the year 1942-43, p. 30.
- [14] Ibid, p. 28.