

(1) Number of pages 28

(2) Date of repair 4-11-39

(3) Initials of the Referencer GA

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. <u>367</u>	Press Mis.
<u>302 83-84</u>	
Dated <u>21-8</u>	1871 .

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*Proceedings of the Madras Government, Financial Department,
21st August 1871.*

No. 83. Read the following Proceedings of the Government of India in the Financial Department, dated Simla, 21st July 1871, No. 1323 :—

Read again—

Financial Resolution No. 589, dated 29th May 1869, forwarding to the Military Department a Despatch from the Secretary of State, No. 114, dated 8th March 1869, for consideration of a suggestion in that Despatch, for the appointment at each Presidency of an officer who might represent the Store Department of the India Office for superintending the landing and delivery of Europe stores and for the check of indents and of the annual expenditure of stores.

Read also—

Extract No. 1224, from Proceedings in the Military Department, dated 23rd February 1871, deciding that, of the several branches of the Military Department, each should land stores for itself whenever it can do so, or the Commissariat should land for any Military departments which are not able to land for themselves.

RESOLUTION.—The Governor-General in Council desires that the procedure adopted in the Military Department may be adopted in the Civil Departments also. Each department should henceforth ordinarily land its own stores imported by sea, the Marine Department assisting such departments as cannot do so. The Comptroller-General will submit a draft Resolution prescribing the future procedure for the distribution of the invoices and packing accounts of stores, and for the reports to England of the state in which packages are received.

2. Such of the rules passed in the Military Department on 7th July 1868 as are not affected by the present order, viz., the rules for the comparison of packages or the contents of packages with the invoice, and for verification of deficiencies, or of the damaged condition of articles, in a manner which shall preclude objection by commanders of vessels, or by the Store Department of the India Office, shall be observed by all departments.

3. Referring to paragraph 45 of the report of the late Controller-General of Military Expenditure, No. 1148½, dated 8th March 1870, the Marine Department should consider the practicability of abolishing the appointment of Agent for Government Consignments.

ORDER.—Ordered that a copy of this Resolution be sent to the Military Department, with a request that the Governments of Madras and Bombay may be moved to establish a similar system for the landing and examination of packages of Military and Marine stores in their Presidency towns.

Also that a copy of this Resolution and of the extract No. 1224 of Proceedings in the Military Department, dated 23rd February 1871, together with copies of the papers read in those Proceedings, be sent to the Governments of Madras and Bombay, with a request that a system similar to that now ordered may be introduced in the Civil Department, so far as it may be necessary to ensure the objects of paragraph 2 of the present Resolution.

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Also that a copy of this Resolution be sent to the Public Works Department, the Government of Bengal, the Comptroller-General of Accounts, and the Accountant-General, Bengal.

(Signed) R. B. CHAPMAN,
Secy. to the Govt. of India.

Resolution of the Government of India, Financial Department, dated Simla, 29th May 1869, No. 589.

READ the following:—

From the Right Honorable the Secretary of State for India, to His Excellency the Right Honorable the Governor-General of India in Council,—(No. 114, (Financial) dated India Office, London, the 18th March 1869.)

PARA. 1. I have had under consideration in Council the subject of the supply of stores from this country to the several Governments in India.

2. Since the year 1862-63, the sums paid here for stores for India, including freight, have been as follows:—

1862-63	...	...	...	...	...	£	696,800
1863-64	...	...	...	...	...	„	405,521
1864-65	...	...	...	...	...	„	712,717
1865-66	...	...	...	...	...	„	1,281,540
1866-67 (11 months)	...	...	...	...	...	„	1,157,378
1867-68	...	...	...	...	...	„	1,148,276

And for the years 1868-69 and 1869-70 the expenditure is estimated at—

1868-69	...	...	...	...	...	£	1,651,048
1869-70	...	...	...	...	...	„	1,803,273

3. The increase in recent years is, in some degree, attributable to large disbursements for stores for the Public Works and Telegraph Departments, but, when allowance is made for those supplies, a great increase is still manifest. I forward herewith, for your information, a statement showing the variations which have occurred in the cost of stores for India (exclusive of packing charges and freight) for the different departments in the years from 1864-65 to 1867-68.

4. The forms of indent at present in use were transmitted to the several Governments in India with Sir Charles Wood's Military despatch dated the 24th October 1860. The requisitions must, of course, be regulated and checked mainly in India, for although in certain cases the information obtainable in this country may justify some modification of the quantities applied for, no general supervision can, as a rule, be exercised here over the demands.

5. The indents sent home should, however, shew, in the prescribed form, the balances in store, the established proportions, the quantities due on former indents and not received, the reason for any demand in excess of what is required by the established proportion, and full particulars with drawings and specifications, when necessary, of stores indented for.

6. It is still more important that the arrangements in India, in regard to the receipt, custody and issue of stores, should be thoroughly efficient. The arrangements generally must rest with your Government, but I am desirous that you should consider whether the existing system may not admit of improvements. I observe that, in a letter from your Mint Master, (Lieutenant-Colonel Hyde,) dated the 12th March, enclosed in your Military letter dated the 28th of July last, No. 281, it was stated that the several Departments of Government “on being informed by “the Agent, Government Consignments, that a ship with stores is ready to discharge cargo, “send to claim each his own property;” that “from many departments the men sent must of “necessity be unused to and unfitted for this work, and hence there is a general scramble by “departments for cargoes; it is surprising that mistakes and losses are so few. In order to “remedy that evil, Colonel Hyde suggested that a “Government Store Agent” should be

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appointed, through whom all indents should be sent; that all stores should be consigned to him; that he should land them in the manner that seemed best, and deliver them over to the several departments. Colonel Hyde's opinions were concurred in by the Superintendent of the Telegraph Store Department, and by the Military Store-keeper.

7. Colonel Hyde further suggested that the Government Store Agents should be appointed in England, and should be directly under the orders of the Director-General of Stores in this office.

8. It appears to me to be worthy of consideration, whether it might not be expedient to appoint an officer at each of the Presidencies, to undertake the duties referred to by Colonel Hyde, as well as to examine the departmental indents, in order to ascertain that they are framed in accordance with prescribed rules, to receive, and deliver all stores to the proper departments, and to check the annual statements. These duties would involve great responsibility, and would require the selection of officers who combine the qualifications of energy and accuracy. All communications from those officers should be in the nature of reports to the several Governments, which, when of sufficient importance, might be transmitted to the Secretary of State.

9. Under the system of account now existing, the expenditure on stores is entered as a charge in England of the year in which the payments are made, and does not subsequently appear in the statements annually sent to this country. It is, therefore, essential that the accounts of receipt and expenditure in all departments in India should be accurately kept, and carefully audited by competent officers, as any inaccuracy or waste in expenditure could not be detected in this country.

10. I request that this subject may be considered by you, and if, in order to secure the great object of economy in this branch of public expenditure, you should be of opinion that it would be expedient to appoint officers to undertake the duties to which I have referred, I shall be prepared to sanction the necessary charge for that purpose, or to consider any suggestion which you have to make in reference thereto.

11. I have also to request that, at the time of sending Home the actual Revenue and Financial Accounts of each year, an abstract statement may be transmitted of the value of all stores in each department of the several Governments at the commencement of the year to which the accounts refer, of the issues during the year, and of the value of stores on hand at its close.

ORDER.—Ordered that a copy of the above despatch, with its enclosure, be forwarded to the Military Department, for consideration, in communication with the Public Works Department.

Ordered also, that a copy of paragraph 11 be forwarded to the Public Works Department and to the Comptroller-General of Accounts, with a request to the latter officer that he will be good enough to arrange for the timely submission, with the Revenue and Financial Accounts, of the opening and closing balances and issues of stores in each department of the several Governments for the year to which the accounts appertain.

(Signed) R. H. HOLLINGBERY,
Asst. Secy. to the Govt. of India.

MEMORANDUM No. 1148½.

In returning the documents received with case 6 of Simla Schedule No. 36, dated 4th June last, the undersigned takes the opportunity to mention that he has received from the Financial Department other documents bearing on the same subject.

2. The Right Honorable the Secretary of State, in his despatch as per margin, calls attention to the large demands and supplies of stores from England to India which he considers to be gradually increasing; to the present system of indenting and accounting for these stores; and also to the existing arrangements for their landing and custody. At the same time he requests that measures may be adopted with a view to securing economy in this branch of the public expenditure, and suggests certain means to that end.

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3. The question is a general one affecting various departments, but the undersigned, in this memorandum, will confine his remarks mainly to those points with which the military expenditure is concerned.

4. The Right Honorable the Secretary of State, in the first place, gives the subjoined statement of the value of stores supplied annually in proof of the averment of the steady increase thereof:—

	£	
1862-63...	696,800	Actual sums paid annually at Home including freight.
1863-64...	405,521	
1864-65...	712,717	
1865-66...	1,281,540	
1866-67 (11 months) ...	1,157,378	
1867-68...	1,148,276	Estimated.
1868-69...	1,651,048	
1869-70...	1,803,273	

It is, however, stated that the increase is, in some degree, attributable to large disbursements on account of the Public Works and Telegraph Departments, although, making allowance for these supplies, a large increase is still manifest.

5. It may be added that, taking into consideration the fact that from the year 1867-68 the supplies of stores to the Military Department have included malt liquor, which was formerly paid for in India at an average of Rupees 35,00,000 per annum, the indicated increase since that year is not in any way due to demands from, or supplies to, the Military Department, in which, on the contrary, there has practically been a gradual decrease.

6. The actual value of military stores received from England during the period under review was—

Years.	Bengal.	Madras.	Bombay.	Total.
	RS.	RS.	RS.	RS.
1862-63 ...	16,19,386	8,83,457	9,10,068	34,12,911
1863-64 ...	10,82,460	3,51,990	4,90,021	19,24,471
1864-65 ...	18,01,035	7,65,367	5,56,549	31,22,951
1865-66 ...	31,06,003	8,08,595	5,94,660	45,09,258
1866-67 ...	36,35,794	15,65,686	12,07,778	64,09,258
1867-68 ...	36,66,159	10,99,159	15,30,309	62,95,627
1868-69 ...	42,78,639	20,45,026	19,31,964	82,55,629
1869-70 ...	53,67,430	14,50,620	13,54,540	81,72,590

7. These figures, with the exception of the last year, represent the value of the invoices dated within the official years specified, the figures of 1869-70 being taken from the estimate forwarded by the Secretary of State.

8. In previous memoranda,* the undersigned has explained that the reduction of military expenditure in 1861-62 and the years immediately following was largely attributable to the consumption of the reserve stock without commensurate replenishment; but that when the reserves had been exhausted, it became an imperative necessity to renew them both locally and from Home, in order to maintain our resources on a standard of efficiency.

9. The comparatively large supplies received in 1862-63 were apparently the result of previous indents, which were framed to meet the demands of a much larger† European and Native Force than the fixed establishment subsequently determined on. The effect of this last-named

* No. 1,089, dated 10th March 1869.
„ 1,113, „ 24th „ „

† Europeans 74,425
Natives 1,39,260

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measure, and of the resolve to employ the reserves, became evident in the reduced supplies received in 1863-64 and 1864-65; but thenceforward the demands for replenishment, augmented by the introduction of new equipments, gradually increased until they culminated in 1866-67, since which date they have again fallen, notwithstanding that, during the last two years, very costly machinery has been imported. This will be made clear by deducting the annual average cost of malt liquor from the total value of the supplies during 1867-68 and following years:—

Years.	Total value of supplies.	Malt liquor.	Military stores.
	RS.	RS.	RS.
1867-68 ...	62,95,627	35,00,000	27,95,627
1868-69 ...	82,55,629	35,00,000	47,55,629
1869-70 ...	81,72,590	35,00,000	46,72,590

10. The alleged growing increase, therefore, of imported stores is, as regards the Military Department, more nominal than actual.

11. As bearing on this subject, the undersigned would observe that, in accordance with the Orders of Government in the Financial Department, No. 4,118, of 31st December 1864, the store accounts were separated from the cash accounts, and the value of the former written off the Bengal and Bombay military books for 1863-64, and off the Madras books for 1864-65.

12. The amounts so written off were—

	RS.	A.	P.
Bengal ...	9,69,41,344	4	0
Madras ...	2,03,19,518	14	0
Bombay ...	2,60,99,308	12	0
Total...	15,33,60,171	14	0

This included live stock and local supplies, as well as the armament and equipment of the troops and forts, machinery and block of manufacturing establishments, etc., but the details cannot now be stated, nor in fact could they possibly have been given at the time. The total figures borne on the accounts representing a mere book rather than an actual value of the existing stock; the amount having been made up by the accumulation of the receipts of military stores of all descriptions during a long series of years, without any allowance for loss or depreciation, whilst in reality a considerable portion had long since ceased to exist, although not written off.

13. On the institution of a separate and distinct store account, which the above proceeding necessitated, it was deemed advisable to exhibit therein only the value of the actual munitions of war, exclusive of live stock, machinery, and corresponding plant, but including the arms, equipments and miscellaneous stores in reserve and in the hands of the troops. The value of such stock on the 31st March 1869 was—

	RS.	A.	P.
Bengal ...	4,70,22,148	0	0
Madras ...	2,07,80,396	0	0
Bombay ...	2,00,22,732	0	0
Total...	8,78,25,276	0	0

14. The following statement presents in fuller detail the value of the stock (Europe and local) in the several Departments and Presidencies on the 1st April 1868, the receipts and issues during 1868-69, and the balance in store on the 31st March 1869, viz., Rupees 8,78,25,276, as just above given.

Statement showing the value of Stores in hand in the Military Department on 1st April 1868, the Receipts and Issues during 1868-69, and the Balance in hand at the end of that year.

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	VALUE OF STORES IN HAND ON 1st OF APRIL 1868.				VALUE OF RECEIPTS DURING 1868-69.				VALUE OF ISSUES DURING 1868-69.				VALUE OF BALANCE IN HAND ON 31st MARCH 1869.			
	Bengal.	Madras.	Bombay.	Total.	Bengal.	Madras.	Bombay.	Total.	Bengal.	Madras.	Bombay.	Total.	Bengal.	Madras.	Bombay.	Total.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Military and Ordinary Stores...	36,434,931	1,76,05,154	1,71,16,224	7,11,56,309	51,69,713	24,10,761	34,17,730	1,09,98,194	42,61,122	29,77,523	26,28,711	1,08,67,356	3,63,43,592	1,70,38,892	1,70,05,243	7,12,07,147
Clothing Stores...	24,55,630	8,63,321	4,12,300	37,31,251	11,51,937	3,39,845	4,92,500	20,84,232	18,51,916	4,94,808	4,77,300	28,26,024	17,53,651	7,58,357	4,27,500	29,39,508
Barrack Stores...	34,48,671	{ Included under Ordnance Stores. }			3,61,961	{ Included in Ord. nance Stores. }			3,91,816	{ Included in Ord. nance Stores. }			34,18,816	{ Included in Ord. nance Stores. }		
Medical Stores ...	5,36,901	3,18,282	4,80,430	13,35,613	2,83,543	2,20,331	3,92,358	9,02,732	2,28,520	1,84,428	2,74,923	6,87,871	5,91,925	3,60,185	5,93,355	15,50,475
Comat Stores ...	47,15,773	27,64,304	8,61,775	83,41,852	63,58,457	16,24,271	24,34,460	1,04,12,188	61,54,995	17,65,103	22,04,611	1,01,24,710	40,14,234	26,23,472	10,91,623	86,29,330
Total...	4,75,91,906	2,15,51,061	1,88,70,729	8,80,13,696	1,33,20,611	46,51,198	67,37,548	2,47,09,357	1,38,90,370	54,21,862	55,85,545	2,48,97,777	4,70,22,148	2,07,80,396	2,00,23,732	8,78,25,276

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15. On examining the statement, it will be perceived that there is but a slight difference between the receipts and issues of the year, the latter being in excess of the former by only Rupees 1,88,420 or $\frac{1}{10}$ per cent., all three Presidencies included; a fact which would appear to indicate that the demands for Europe stores and the supplies locally purchased and manufactured are in close approximation to the actual requirements of the military service.

16. From the foregoing table it may be further deduced, on a comparison of the annual issues with the balances in store, that the Ordnance stock is equivalent to—

7½ years' supply in Bengal
5½ „ „ „ Madras
6½ „ „ „ Bombay

but the undersigned would deprecate any conclusions being drawn from such data. In the first place, the stock in use with troops is probably equal to one-third of the whole. In Bengal alone it amounts in value to Rupees 1,08,17,927. Then the enormous stock of iron ordnance, shot, shell, etc., in the several Presidency arsenals, and particularly in that of Fort William, much of which is doubtless obsolete, but yet represented at a fixed value in the stock books, will, if thrown out of the calculation, tend very considerably to lessen the amount of serviceable and available stock. Fairly considering the points, the average reserve of serviceable warlike stores will probably not be found to exceed a 3½ years' supply, and it might not be wise or desirable policy to reduce the reserves below that standard.

17. Before quitting this subject, the undersigned would beg leave briefly to revert to the question of the store accounts, and that especially in reference to paragraph 9 of the Secretary of State's despatch above quoted. The paragraph is as follows:—"Under the system of account now existing, the expenditure on stores is entered as a charge in England of the year in which the payments are made, and does not subsequently appear in the statements annually sent to this country. It is, therefore, essential that the accounts of receipt and expenditure in all departments in India should be accurately kept and carefully audited by competent officers, as any inaccuracy or waste in expenditure could not be detected in this country."

18. The object in view appears to the undersigned to be most effectually secured by existing arrangements. In the Bengal Presidency the Examiner of Ordnance Accounts audits all issue indents according to regulations and the prescribed allotments, and afterwards checks the expenditure of arsenals, manufactories, and depôts by these vouchers; he likewise receives all invoices of Europe stores, statements of locally manufactured articles, and bills for supplies purchased, and by means of these is able to check, with great exactitude, the periodical accessions to stock. The same officer is also charged with the duty of auditing the Clothing and Barrack Departments' accounts, and deals with them in like manner. The Commissariat and Medical Examiners audit the store expenditure of those departments on similar principles, and the annual reports of the out-turn of the several ordnance manufactories, which are submitted to Government, afford ample data for repressing wastefulness, or correcting inefficient supervision. In the Madras and Bombay Presidencies corresponding arrangements exist. On the whole, whilst admitting that in this, as in all other branches of the service, there may be room for improvement and reform, the undersigned is of opinion that the stock expenditure is now well under control in India.

19. In the next place, the Secretary of State lays stress on the careful preparation of the annual indents for Europe stores. He says "the indents sent Home should show, in the prescribed form, the balances in store; the established proportions; the quantities due on former indents and not received; the reason for any demand in excess of what is required by the established proportion; and full particulars, with drawings and specifications when necessary, of stores indented for."

20. The forms of indents now in use are those prescribed by the Secretary of State. The term "established proportion" generally signifies a supply for a definite number of years, so that

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the balance in hand, the balance due on former indents, and the quantities demanded in any annual indent, should make up, or correspond with the figures representing the "established proportion."

21. All heads of departments do not, however, frame their indents strictly in this sense of the term. In the *Clothing Department*, under special sanction (Military Department's docket No. 191-20 of 6th March 1867,) the term "estimated annual consumption" has been substituted for "established proportion," and the annual indents are framed to complete two years' consumption of each description of clothing (cloth and serge). In the *Marine Department* the term "established proportion" continues to be used, although it signifies but one year's consumption, and the quantities indented for are intended to make up double the "established proportion" (vide Government of India, Marine Department's Proceedings for September 1869, pages 22 to 24). In the *Mathematical Instrument Department* the "established proportion" entered in the current indents is said to be altogether obsolete, and no new scale has been framed. In the *Medical Department* many medicines are now being indented for against which no "established proportions" are recorded.

22. These circumstances doubtless prove a source of embarrassment to the authorities at Home, and the undersigned would now suggest that, in all departments, except the Clothing (the special practice of which should be noted on the indent), the "established proportion" should indicate the full complement of stock required to be in *reserve* and in *use*; and that heads of departments should be called upon to submit carefully revised established proportions for the formal sanction of Government, thereby making them the standard test of the annual departmental requirements, and no alteration therein being admissible without the special sanction of Government.

23. The Secretary of State, in another part of his despatch, proposing the appointment of a Government Store Agent at each Presidency, a proposal that will be presently noticed, seems desirous that departmental indents should undergo an examination, in order to ascertain that they are framed in accordance with prescribed rules. It is very probable the routine observed in India before indents are transmitted Home for compliance is unknown to the Secretary of State, and it may be as well to mention that in the first instance carefully prepared estimates of the requirements in stores are transmitted by the several Governments to the Secretary of State in anticipation of the annual indents;—and that in the Bengal Presidency the demands actually included in the indents of the Ordnance, Clothing, Commissariat, Medical, Marine, and Army School Departments, after having been duly considered by the respective heads of those departments, are reconsidered by the Controller of Military Accounts, and subsequently subjected to a close scrutiny in this Branch.

24. In the Madras and Bombay Presidencies, where the annual indents are comparatively small, the Controllers of Military Accounts exercise the ultimate check. The indents are despatched through the Military Department of each Presidency. The control exercised over these demands is effective, without however interfering with the responsibility of the administrative heads of departments, and the undersigned feels satisfied that little is wanting to render it complete, save carefully prepared "established proportions," to secure which a suggestion has been above submitted.

25. The Financial Member of Council, however, considers that, as the amount represented by the annual indents is large, and has some connection with the financial results for which he has to provide, he should "know what indents are made, and how far they are likely to affect the budget." At present he observes that all proceedings relative to these indents are taken without his cognizance or that of his department. Any information that can be afforded to the Financial Department respecting the financial effect of the demands for stores from England could readily be placed at its disposal, and was so placed up to June 1863. With this object the indents were, in 1862, ordered to be approximately priced, and by Financial Resolution No. 926A, of 22nd November 1862, it was directed that indents for military stores from the three Presidencies should be transmitted to England through the *Financial Department*, Calcutta, after

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undergoing examination by the Military Finance Department and the Military Department; the indents from Madras and Bombay being checked further, in the first instance, by the Controllers of Military Finance and the Governments of those Presidencies, respectively, before transmission to Calcutta. This course was shortly afterwards altered by Financial Resolution No. 1,722, dated 23rd April 1863, which ruled "that the indents for military as well as all other stores required from Europe shall, after undergoing the revision of the superior departmental authority, be forwarded to England direct, that is to say, for the Madras and Bombay Armies by the Governments of those Presidencies, and for the Army on the Bengal Establishment by the Military Department of this Government," but that "a copy of each indent will be forwarded, through the channels already prescribed, to the Financial Department for information merely, that department not passing any order on it, except when it may be necessary to object to any item, or to suggest its supply from the surplus stock of some other department." But in the space of a few weeks this modified order was rescinded, the Financial Department in Resolution No. 2,392, of 16th June 1863, recording the opinion that the whole responsibility for correct indents devolved on the Administrative Departments of the Supreme Government, and the local Governments declared that the transmission to that department of a copy of every indent for Europe stores was unnecessary.

From the foregoing it would seem that the Financial Member of Council now seeks to be re-furnished with the means of examining the annual indents formerly available in the Financial Department until deliberately renounced.

26. The undersigned will strictly observe any course to this end which the Financial Department may prescribe; but he feels it his duty to add that, independently of the prices affixed to the indents being approximate, the indents themselves are no reliable guides as to the extent of supplies that may be received in the year following that in which they are despatched. For instance, the clothing indent is forwarded two years before the supply is due, *i. e.*, the supply required in 1870-71 is indented for in 1868-69. Again, in the case of the Ordnance Department, the balances due on former indents are generally large, and presuming that they will receive earlier attention than current demands, it will be found that the money value of the supplies, as well as the nature of the supplies in any one year, does not correspond with that of the demand or indent for the year in question. From the *Bi-monthly Return of Stores under provision by the Director-General of Stores for India for the Ordnance Department*, dated 3rd September 1869, it was observed that some stores indented for in 1864, 1865, 1866, and 1867 were only then under provision. These facts will necessarily act as disturbing elements in any calculation that may be based on indents sent from India.

27. At the same time it is undoubtedly very desirable not only that the Financial but the Military Department of Government should have cognizance of the general nature and extent of all demands made on Home, and possess the fullest information obtainable as to the probable annual outlay on this account.

28. But the undersigned, from his experience, would go further and suggest that all ordinary requisitions from the several Presidencies should pass under the scrutiny of the Military Department in its Account Branch, and receive the sanction of the Government of India, prior to despatch to the Secretary of State. It may often occur that the deficiencies at one Presidency could be met by a surplus at another, or that the local resources of one Presidency might render unnecessary demands on England from another Government, *e. g.*, the Cawnpore Tannery, when in full operation, might obviate the necessity for any demand for harness from Madras or Bombay.

29. Such scrutiny would of course cause some little delay, but no positive inconvenience, as all really emergent requisitions could be made by the local Governments, immediate intimation being given to the Government of India.

30. The undersigned would here very respectfully submit that it might facilitate the earlier despatch of supplies to India, besides promoting economy in the expenditure at Home, if stores, when reported ready by the contractors, were at once inspected by the Examiners of the Store Department of the India Office at the warehouses of the contractors themselves, and packed and sealed on the spot. The contractors might then be directed to ship them, marked and superscribed

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in the way indicated by the Director-General of Stores in his report of 11th December 1868, appended to Secretary of State's despatch No. 42 of 11th February 1869, and consigned in the usual way. The arrangement suggested, the undersigned ventures to think, would very much facilitate the process of business at the Store Department of the India Office, by superseding the necessity for unpacking and repacking for shipment stores received from contractors; and as there is a large staff of Examiners attached to the Store Department, it is believed that no practical difficulty would be experienced in conducting the examination in the way proposed. To prevent any fraud, however, the contractor should pack in the presence of an Examiner who could seal the package with a metal seal. After shipment the bills of lading, invoices, and packing accounts might be made over to the authorities at the India Office for transmission to India.

31. The next point on which the Secretary of State dwells in the Financial despatch under reference is "that the arrangements in India, in regard to the receipt, custody, and use of stores, should be thoroughly efficient." To ensure this object, he expresses his readiness to appoint from England a Government Store Agent at each of the three Presidencies, who, acting directly under the orders of the Director-General of Stores at the India Office, would exercise "general supervision over all business connected with stores in India."

32. This proposition is the result of a minute or memorandum recorded by Colonel Hyde as a Member of a Committee convened under the orders of Government as per margin, the report of which Committee, irrespective of Colonel Hyde's special views, was generally approved by Government, and forwarded to the Secretary of State with despatch No. 281 of 28th July idem.

33. In his memorandum Colonel Hyde describes the then practice in these terms: "The several departments on being informed by the Agent for Government Consignments that a ship with stores is ready to discharge cargo, send to claim each his own property. From many Departments the men sent must of necessity be unused to, and unfitted for, this work, and hence there is a general scramble by Departments for cargoes; it is surprising that mistakes and losses are so few,"—and he recommended, as the remedy, the appointment of a permanent Store Agent.

34. It should be remembered that the Committee in question had been assembled to review and improve the then practice which, by the testimony of Colonel Hyde himself, was not very wanting in practical efficiency, as "mistakes and losses" were "few." That Committee most carefully considered the matter, and deliberating on their report, Government decided—"that one set of rules cannot conveniently be applicable to all departments, and that the Military Department should therefore settle what is suitable to its own requirements, and communicate its rules to the other departments concerned. The latter might then do the same, conforming, as far as circumstances admit, to the system proposed to be adopted in the Military Department, it being considered desirable to leave each department to its own approved method of carrying out the duty in question."—The Government at the same time prescribed a series of rules—thirteen—for observance in the Military Department, for the landing and examination of stores from England, directing that, for stores of the *Clothing, Medical* and *Military Store-keeper's* Departments, the arrangements were to be carried into effect by the Agent for Government Consignments, but that the Commissariat and Ordnance Departments should land their own stores as heretofore.

35. These rules were forwarded to the Secretary of State, and have elicited the approval* of the Director-General of Stores in these words: "The rules which have been laid down by the Government of India for the examination of stores received from England appear well calculated to obviate the losses which have of late been reported." They have, however, not yet been put into operation, a difficulty having arisen regarding the establishment to be placed at the disposal of the Agent for Government Consignments, to enable him to examine,† land, and convey the *Clothing, Medical, and Military Store-keeper's* stores, as also the *Marine, Stamp, and Stationery, and Civil Stores* to the respective departments.

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36. The establishment stated to be required will cost Rs. 885 per mensem, or Rs. 10,620 per annum in excess of the present establishment. On the data of the year 1867-68 (the latest for which full details are available), the value of the stores with which this establishment would have to do, may be given as follows for the Bengal Presidency:—

	rs.
Clothing Stores	8,00,422
Medical „	2,22,145
Marine „	3,20,732
Stamps & Stationery	2,43,926
Civil	8,164
Total	15,95,389

In the same year the actual cost of landing the Ordnance, Commissariat, Clothing, and Medical stores, amounting in value to about Rupees 44,00,000, was for hire of coolies, coopers, boats, &c., Rupees 17,415; besides a permanent establishment for duties of supervision, costing about Rupees 6,500 per annum. These charges are at the rate of about 8 Annas per cent. of the value of the stores, whereas the permanent establishment *alone*, irrespective of coolies, boats, and miscellaneous landing charges, asked for by the Agent for Government Consignments, is at the rate of 10 Annas per cent. of the value of the stores he would be required to land.

37. The Controller of Military Accounts* states that the weight of the stores which the Agent for Government Consignments would land would be about 6,000 tons, thereby costing merely for establishment at the rate of Rupees 1-12-3 per ton; whereas the Commissariat Department now land stores (all charges included) at an average rate of 15½ Annas per ton, and the Controller thinks that a contract might be entered into at the rate of 13 Annas per ton.

38. On these calculations Government have called† upon the Controller to ascertain "whether a contract to land the stores required for all the departments cannot be arranged for to be tried for a year." No report, it is believed, has as yet been submitted.

39. The undersigned estimates the average tonnage of the Military stores annually received in the Bengal Presidency at about 26,000, which, at the rates now charged, would give about 14½ Annas per ton, so that the gain to Government by any contract cannot be expected to be great, as it probably will not exceed Rupees 2,000 per annum. The stores received in Madras average about 10,000, and in Bombay about 18,000 tons annually.

40. From the particulars just given, it becomes apparent that any special establishment for the general examination and landing of stores will be greatly more expensive than the departmental agency now employed, and the appointment of a Government Store Agent acting independently of local authorities, will not only considerably enhance the extra expenditure, but may lead to complications resulting in much practical inconvenience. The Ordnance and Commissariat Departments, owing to the resources at their command, now perform this work with equal efficiency and economy, while the arrangement is attended with a defined responsibility.

41. The other function proposed to be assigned to Government Store Agent, viz., to supervise all indents, will assuredly interfere with that unfettered action of the heads of departments on which alone their responsibility is based, or can be enforced. When Government direct the modification of indents, it is for reasons accepted as satisfactory, and for the most part acknowledged as such by the indenting officers, but the result may prove different, if the dictum of an officer, without experience of the Indian service, and without an intimate knowledge of departmental requirements, were substituted. The undersigned would therefore very respectfully state that, in his opinion, the proposed appointment, whilst not adding to the efficiency which existing resources properly utilized are calculated to secure, will only be attended with extra expense and official embarrassment.

Military Department No. 170, dated 19th February 1868.

* Letter to Mily. Dept. No. 1,684E, dated 3rd February 1869.

† Military Dept.'s letter No. 176, dated 7th April 1869.

Mily. Dept. Pro., No. 196, dated 7th July 1868.

* Secy. of State's despatch No. 42, dated 11th Feb. 1869.

† Every package and loose article as to condition.

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42. Government, in the rules prescribed for the Military Department, have permitted the Ordnance and Commissariat Departments to land their own stores. The Superintendent of Army Clothing, whose stores are now landed by Messrs. Fraser & Co. of this city on contract, very positively asserts that the work can be done by his own Department more readily and economically. In the case of the Public Works Department a set of rules, framed by a Committee of departmental officers, has been adopted by Government and ordered, in Public Works Department's Resolution No. 15A of 6th January 1869, to be strictly observed in this Presidency, and made applicable, with any necessary modifications, in the Presidencies of Madras and Bombay.

43. The other large departments concerned are the Marine, the Telegraph, and the Stamp and Stationery; the two former might be called upon to draw up rules, subject to the approval of Government, for the examination and landing of their own stores, by means of departmental agency. In the case of Stamp and Stationery Stores, as also of the stores of the Medical, Military Store-keeper's, the Mathematical Instrument-maker's Departments, and Miscellaneous Civil Stores, the Commissariat Department might be deputed to do the work, charging the several departments with the actual expenses incurred, irrespective of the services of any portion of the present permanent establishment.

44. If the suggestions meet with concurrence, the rules already laid down for the Military Department can be easily altered, so as to carry them into effect, not only in this Presidency, but likewise in Madras and Bombay.

45. The alterations, however, should provide for the better utilization of the services of the Agent for Government Consignments in Calcutta, and of the Marine Establishments at Madras and Bombay. In fact, when this subject was first discussed, it gave rise to the appointment (a) in 1861 of the Government Agent for Consignments in Calcutta, and to that (b) of the 2nd Assistant to the Master Attendant of Madras, with subordinates at Rupees 125 and Rupees 114 per mensem, respectively, at each Presidency, for the specific purpose of aiding departments in the landing of their stores. This point can be settled in communication with the Marine Authorities.

46. The only other document in connection with this correspondence which calls for remark is the recent Financial Resolution No. 4,390 of 30th October last. In this Resolution the main objects to be attained are indicated as follows, and the undersigned will now note opposite each the paragraphs of this Memorandum which advert thereto, adding any necessary observations.

Remarks.

Vide paragraphs 19 to 24 and 27 to 29 above.

FINANCIAL RESOLUTION.

Objects.

I. "The proper control of the system under which requirements for stores are prepared, and under which indents for their provision are sent to England.

II. "The establishment of suitable checks on the use of stores when received, and the maintenance of proper store accounts, showing the quantities remaining in hand from time to time."

III. The provision (a) of a proper financial control over the expenditure on such stores, "first, by ruling (b) that Government shall be placed in possession of proper estimates of probable cost of all stores indented for before sanction is given to the transmission of the indents to England. A period of the year should be fixed, about the time (c) of the preparation of the budget estimates, at which the

*Vide paragraphs 17 and 18 above.
All this is at present effectively in force.*

a.—Vide paragraphs 25 to 30 above.

b.—Arrangements have been made to attach statements of the estimated value of Military stores indented for for the year to the budget estimate of that year, but for the first year—1870-71—these estimates must necessarily be somewhat incomplete.

(c)—This requisition can scarcely be carried into practical effect, as, under directions from

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the Secretary of State, the indents for the ensuing year are despatched far in advance, and, as already stated, the Clothing Department indent is nearly two years in advance. The dates of the despatch of the last indents from this branch are given below:—

Ordnance Dept.	for 1870-71,	26th Aug. 1869.
Clothing	„ for 1871-72,	13th Aug. „
Medical	„ for 1870-71,	ditto „
Commissariat	„ for „	28th July „
Marine	„ for „	22nd Sept. „
Mathematical Instrument-maker's	„ for „	26th Aug. „

It has already been explained in paragraphs 11 to 14 above, that the store accounts have, under express orders, been separated from the cash accounts. In the Store Accounts, however, the value of receipts and issues is given. It is presumed there is no intention to revert to the former practice of blending store and cash accounts together. The last orders on this point, received from the Comptroller-General of Accounts, were (letter No. 1,230, dated 22nd February 1868) as below:—

"I have the honour to state that, under orders of the Secretary of State, the value of stores sent out from England to India will be adjusted in the Home accounts, and not be brought on the books of your department, from the invoices of stores received from the India Office."

Vide paragraph 18 above and the statement at page 5. A similar statement will in future accompany each annual statement of the receipts and charges of the Military Department, when transmitted to the Financial Department.

Vide paragraphs 31 to 41 above.

"Second, that the yearly outlay shall be brought into the account of the expenditure of each department."

IV. "The framing of a suitable system of account under which the above requirements shall be properly complied with."

V. "The expediency of constituting a separate Store Department in India, having for its object the exercise of a general control over the store operations of the public departments."

Nos. 974 & 975.

47. In order to give effect to the Resolution, Government desired the appointment of a Committee, of which the undersigned was nominated a member. He would now venture very respectfully to state that, in the capacity of member of such Committee, he would not be able to afford any more information or submit any other suggestions than are contained in this memorandum, while his time and attention would be diverted from many pressing questions awaiting consideration.

MILY. DEPT., ACCT. BRANCH,
8th March 1870.

(Signed) A. BROOME, Colonel,
Contr.-Genl. of Mily. Expenditure.

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From the Superintendent and Agent for Army Clothing, to the Secretary to the Government of India, Military Department, dated Alipore, 2nd December 1869, No. 2,869.

Referring to paragraph 2 of my letter to your address No. 2,442B. of the 18th October last, I have the honour to state that having made due inquiry into the system of landing stores for this Department by Messrs. Fraser & Co., and that which obtained in the Agency prior to my departure for England in April 1868, I find that Messrs. Fraser & Co. have been paid for landing 1,186 packages from the ship *Sea Queen* at their contract rate of 12 Annas for each package

...	...	...	Rs. 889	8	0
The same could be landed by this Agency at the following cost					
which, though taken approximately, will, I have reason to believe, be found over the actual charges than under—a margin being advisedly left	RS.	A.	P.		
20 Cargo Boats, at Rupees 16 each	...	...	...	320	0 0
197 Carts, at 7 Annas each...	...	...	...	86	3 0
Coolies for 1,186 packages, at 1 Anna each package	...	...	...	74	2 0
				480	5 0

in one shipment alone which would have been saved to the State had the Department landed the packages itself.

2. Up to July 1868 all packages were landed by the Department itself, but after that period the work was entrusted to Messrs. Fraser & Co., at the recommendation of Lieutenant-Colonel Walton, who officiated for me during my absence on sick leave. On being informed of this on my return to India, I was unable to approve of the measure, seeing that it would, in the first place, entail a heavy additional expense for a duty that, in my extended experience in the department, had been successfully performed by the Agency itself, and at a cost which would, in my opinion, bear a comparison with any Department that lands its own stores at this Port.

3. If the saving on one shipment only would amount to so much as Rupees 409 as shown above, the annual saving would be very considerable—therefore and apart from the circumstance of the serious loss to the State reported in my letter marginally noted, in regard to the shipment of clothing stores “*ex-Stone-house*” and on purely financial grounds, I recommend that Messrs. Fraser & Co.’s contract with this Department may be terminated, and that we may revert to the system of landing our own packages from all vessels arriving with stores for the Department.

Military Department, Fort William,—(No. 552, dated the 10th December 1869.)
Forwarded to the Controller of Military Accounts, for early report.
Return requested.

(By order,
(Signed) H. H. STANSFELD, Captain,
Offg. Asst. Secy. to the Govt. of India.

From the Under-Secretary to the Government of India, Home Department, to the Secretary to the Government of India, Military (Marine) Department, dated Fort William, 20th February 1869, No. 69.

TRANSFERRED to the Military (Marine) Department for disposal.

From the Surveyor-General of India, to the Secretary to the Government of India, Home Department, dated Calcutta, 9th February 1869, No. 212.

I have the honour to enclose copy of a letter from the Officiating Superintendent Mathematical Instrument Department, No. 79, dated 19th January 1869, showing the inconvenience his department is still put to from being obliged to land their own stores.

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2. Adverting to the Resolution of the Government of India on this subject, No. 12A, dated the 6th January 1869, as relates to the Public Works Department, I sent a copy to the Agent for Government Consignments, from whose reply, cited in the margin, it appears that officer is still unable to meet the necessary requisition from this Department.

3. The early carrying into effect therefore of the rules intended for adoption for all departments would be a desideratum, and I would respectfully urge that the orders of Government may be issued to the Agent for Government Consignment as early as practicable.

Copy of a letter No. 79, dated Calcutta, 19th January 1869, from the Officiating Superintendent Mathematical Instrument Department, to the Surveyor-General of India.

In July 1868 orders were passed by the Government of India in the Military Department, laying down rules to be observed in the landing and examination of stores, received from England in the Military Department, and in August following, further orders were issued, directing that the said rules should be observed in regard to stores intended for the Survey and Mathematical Instrument Departments.

Under the operations of these rules, I requested the Agent for Government Consignments to act in conformity therewith, and inform me when as per Clause II. of Resolution of Government, I should send some one to receive charge of the stores lately arrived for this Department, on board of the *Lincoln* in the Port of Calcutta, and of the *Latona* at Port Canning. To this he replied that “his department is not prepared to land stores at present, no sanction having been received by Government for the new rules relative to the landing and examination of stores from England coming into operations,” vide copy of his letter forwarded herewith. I have therefore no alternative but to land the stores myself; and as I have no other European but the Store-keeper available for the duty, work in the issue department must cease during his absence, and the Government probably be put to a great deal of otherwise unnecessary expense. Under these circumstances I have the honour to request the Government of India may be moved to issue such further orders as may be necessary to ensure the carrying out of those rules by the Agent for Government Consignments at an early date.

Copy of letter No. 146, dated Fort William, 5th February 1869, from the Officiating Agent for Government Consignments, to the Surveyor-General of India.

WITH reference to your memorandum No. 161, dated the 2nd instant, and enclosure, I have the honour to state that a copy of the Committee’s proceedings for landing stores and the Government Resolution* thereon, were forwarded by the Military Department to the Master Attendant in July last, for report on certain points connected therewith; these reports were submitted in August following, and as no sanction has been accorded to them up to date, I am still in statu quo.

From the Under-Secretary to the Government of India, Home Department, to the Secretary to the Government of India, Military (Marine) Department, dated Simla, the 19th August 1869, No. 266.

TRANSFERRED to the Military (Marine) Department for disposal, in continuation of endorsement, dated 20th February last, No. 69.

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From the Surveyor-General of India, to the Secretary to the Government of India, Home Department, Simla, dated Calcutta, 5th August 1869, No. 1,468.

In my letter cited in the margin I had the honour of bringing to the notice of Government the great trouble and expense to which this department (including the Mathematical Instrument Workshops) was put in consequence of the want of system and adequate orders for landing public stores consigned to separate departments in Calcutta from the Home Government.

No. 212, dated 9th February 1869.
2. The late cyclone of the 9th June has added another strong reason for some remedial measures being taken without further delay. The existence of valuable stores in the river at that moment, and the great difficulty of obtaining cargo boats at the time and previous to the storm seriously jeopardised 23 cases consigned to this department per *Duke of Argyll*, and had it not been for the praiseworthy exertions of my Head Assistant and Registrar, Mr. Byran, in all probability, some of the cases would have been lost.

3. The necessity of the Government Agent for Consignments in Calcutta transacting such sort of business for offices like my own is every day more apparent. The unnecessary competition for the hire of cargo boats at present from various departments when a ship arrives is altogether hostile to the interests of Government, and not only extra expense but great delay and the utmost inconvenience is experienced by the constant deputation of officials to the ships, who are in no way competent or accustomed to transact such business.

4. In the *Duke of Argyll* ship no less than 9,426 cases, etc., of Government property arrived, and were consigned simply to the "India Council, Government of India," and the various claimants were admitted on boardship and allowed to take what they chose, consequently the Telegraph Department removed three cases belonging to this office, which were, after much search and inquiry, eventually found in the Telegraph Office.

5. All this, I beg to remark, seems to me totally unnecessary and unsuited to the object in view. I therefore have again to solicit that the Agent for Government Consignments in Calcutta may be instructed and empowered to land and deliver to this department all Government stores consigned from the India office. This the above functionary still declines to do, and the public service is impeded in consequence.

6. As the Store Department in England give no separate advice to the Master of the vessel for each departmental consignment, but merely a document, as copied *facsimile* in the margin, great confusion prevails in the delivery of the cargo, and if the Government desire to continue the present system, then I submit that each department should be furnished with its own bill of lading whereby delivery can be obtained from the ship, as in all mercantile or private transactions, and a special ship sircar will have to be kept on the establishment.

172 { 6307 Cases.
1157 Casks.
1 Bale.
3 Bundles.
943 Pieces.
1015 Bars.
9426
India Council,
Govt. of India.

From the Controller of Military Accounts, to the Secretary to the Government of India, Military Department, dated Calcutta, 16th March 1870, No. 2,022-F.

No. 208 of 7th July 1868.
No. 176 of 7th April 1869.
No. 419 of 15th Sept. "
No. 552 of 10th Dec. "
Adverting to my letter No. 1692-F, of 24th January 1870, and to Military Department letters as per margin, I have the honour to report further concerning the proposal to land all Government stores by contract.

2. I have been in communication with the Master Attendant on the subject, but his two letters, of which copies are annexed, really give no information that is useful in determining the question.

No. 5020 of 25th Sep. 1869.
" 463 of 25th Jan. 1870.

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3. I also send copy of a letter* from the Agent for Government Consignments, who at my request was directed by the Master Attendant to obtain tenders for landing stores with rates and terms of agreement, and in forwarding letters from three shipping firms in Calcutta, the Agent merely says he considers the rates submitted by the contractors are higher than the work could be done for if entrusted to him and his establishment and a fleet of Government cargo boats to land the stores.

* No. 81 of 13th Jan. 1870.
4. This latter plan it has been determined not to entertain, and as regards the proposal to land all stores by contract, I regret the information I have obtained is not such as would warrant my recommending any one of the tenders for sanction. The original documents are herewith transmitted, but for convenient reference I bring them forward here.

(1.) *Tender of Landing and Shipping Company.*

They agree to land malt liquor at 5 Annas per hogshead, and will furnish a contract rate for landing all other stores after they have been allowed to land a few consignments.

They offer to let boats to land Government stores at rates from Rs. 5 to 15 each according to size.

(2.) *Tender of Messrs. Simpson & Co.*

For landing all descriptions of goods, each piece or package not exceeding 3 to 5 cwt., at Rupees 1-8-0 per ton.

For landing those pieces or packages weighing over 3 to 5 cwt., or such as cannot safely be handed by coolies without incurring the risk of breakage, will require to be furnished with a crane, and the charge will be according to the description of the goods and the expense incurred in landing.

(3.) *Tender of Messrs. Fraser and Co.*

For landing.

Ordnance Stores	...	...	...	...	Rupees 2-0-0 per ton.
Commissariat Stores	...	...	...	...	
Mint Stores	...	...	...	...	
Telegraph Stores	...	...	...	...	
Miscellaneous Stores	...	...	...	...	" 2-4-0 per ton.
Public Works Stores	...	...	...	...	
Medical Stores	...	...	...	...	" 2-8-0 per ton.
Stationery and Stamp Stores	...	...	...	...	
Clothing Stores	...	...	...	...	" 3-0-0 per ton.
Marine Stores	...	...	...	...	

subject to the following conditions.

I.—That the contract be for two years.

II.—The stores to be landed 100 feet above high water mark abreast of their respective depôts.

III.—In all cases when packages shall be put into their boats exceeding 8 cwt., the lifting power shall be supplied by Government. They finding cooly labour only.

IV.—If Government find the coolies, 5 Annas per ton to be deducted for the charge for landing.

V.—If for want of lifting power their boats be detained beyond 48 hours in her discharge, Rupees 6 per day will be charged for every 24 hours.

5. I consider the rates very high, and for this reason and because the tenders are prepared in so indefinite a manner as to preclude their adoption, I cannot recommend the acceptance of any one of them, and would suggest, as the best course under the circumstances, that heads of departments should be directed to make their own arrangements for landing stores by contract or agency as, with a due regard to economy, might be determined best to prevent delay, loss, or breakage. The mode of landing and rates being settled, on the arrival of a vessel bringing out Government

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stores, the Agent for Government Consignments would, as now, depute an Assistant on board to receive the same, according to the specification of the Invoices held by him, and he would be held responsible that the packages, bales, or cases were made over correctly to the Agent, departmental assistant or professional man as the case may be, sent by the head of the department to which the stores were consigned to take delivery of the same.

6. I would recommend the adoption of this plan for a period of twelve months, when the result of the measures preferred by the several departments could be ascertained, and out of the many plans one system might be fixed for the guidance of all, which at present seems impossible.

Military Department, Fort William, (dated the 16th September 1869.)

Read docket and enclosure from Home Department, No. 266, dated 19th August 1869, regarding landing stores.

Copy of the above forwarded to the Controller of Military Accounts, with a request that he will state what measures have been taken to provide for the landing of stores in connection with the instruction issued in the letter from this department, No. 176, of 7th April 1869.

An early reply is requested.

Copy of the above forwarded to the Home Department for information, with reference to their No. 266, dated 19th August 1869, and previous reference on the subject.

By order,

(Signed)

H. K. BURNE, Colonel,
Offg. Secy. to the Govt. of India.

From the Officiating Master Attendant, to the Controller of Military Accounts, dated Fort William, 25th September 1869, No. 5,020.

With reference to your letter No. 543, of 15th April last, I have the honour to state that I think it desirable to arrange for a contract to land the stores required for all departments but the Marine, to be tried for one year, subject to revision at the expiration of that time.

From the Officiating Master Attendant, to the Controller of Military Accounts, dated 25th January 1870, No. 463.

With reference to your letter No. 9,088, dated the 24th instant and its enclosures, which are herewith returned, I have the honour to state that it is my opinion, if the whole work was centralized and performed by one office, as detailed in the Agent's letter No. 1,217, dated 4th October 1869, it would be found to be beneficial to all parties, and would also effect a saving to the State.

2. At the same time a trial of a contract for one year, as apparently desired by Government, might be arranged for.

From the Officiating Agent for Government Consignments, to the Controller of Military Accounts, dated 13th January 1870, No. 81.

With reference to your letter No. 5,608, dated the 1st of October last addressed to the Master Attendant, I have the honour to forward, in original, the accompanying tenders received from the parties named in the margin, with the rates and conditions under which they are prepared to land the Government consignments.

2. I would beg to state that the delay in replying to your letter has been occasioned by not being able to obtain the information required from the Landing Agents earlier, and that further

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I furnished each of them with a statement of receipts of the year under review 1866-67, as a guide, and also gave them *viva voce* all the information in my power.

3. It will be seen that the most favourable of these rates is in excess of that I have taken in my contract calculation, and hence the saving would be greater than shown previously, if Government were to employ, as recommended, their own boats.

(True Copy.)

(Signed)

F. D. ATKINSON, Colonel,
Contr. of Mily. Accounts.

From the Manager of the Calcutta Landing and Shipping Company, (Limited) to the Officiating Agent for Government Consignments, dated 25 (late No. 16) Strand, Calcutta, 24th November 1869, No. 2,608.

In reply to your letter No. 1,227, of 7th ultimo, I beg to inform you that I shall be happy, on behalf of this Company, to undertake the landing at Baloo ghat of all Government consignments of malt liquor for five Annas (5 As.) per hogshead.

As regards other material I shall be glad to furnish you with rates, if you will forward me the quantity and description of the various goods likely to arrive.

Perhaps Government may prefer engaging boats at a daily rate and landing their own material, in which case I shall be glad to let boats, at the following rates:—

Large open boats capable of carrying 50 tons ... Rs. 15 per diem.

Smaller open boats... .. „ 10 „ „

Decked boats Rs. 5 to „ 10 „ „

according to size.

From the Manager of the Calcutta Landing and Shipping Company, (Limited) to the Officiating Agent for Government Consignments, dated Strand, Calcutta, 12th January 1870, No. 2,678.

In reply to your No. 19, of 5th instant, I regret to say the information given in your No. 1,474 of 30th November last, does not enable me to fix a rate for landing the several Government stores, but as a means of obtaining a correct estimate of the work required, I will be happy to undertake the landing of a few consignments, after which will be prepared to offer you a contract rate.

From Messrs. SIMPSON & Co., to the Officiating Agent for Government Consignments, dated Strand, Calcutta, 11th January 1870, No. 23.

We have to apologize for not answering earlier your several letters inquiring our rates for the landing of the stores arriving in this port for the different departments of Government. As already explained, our difficulty lies in having to give an uniform rate per ton for all description of goods, including such also as are generally taken under measurement.

We have much pleasure now in submitting a rate such as we are able to give from the information furnished and from the inquiries we have been able to make.

For landing of all description of goods, each piece or package not exceeding three to five cwts. in weight, 1 Rupee and 8 Annas per ton.

For the landing of those pieces and packages weighing over three to five cwts., or such as cannot safely be handled by coolies without incurring the risk of breakage, we shall require to be furnished with a crane, and our charge for these will be according to the description of the goods and the expenses incurred in landing.

Statement showing the rate at which Messrs. Fraser & Co. can undertake to land Government Stores for a period not less than two years certain.

Proceedings of the Madras Government, Financial Department,
21st August 1871.

Departments.	Nature of Stores.	Measure- ment.	Weight.	Total 1866-67.	Where to be landed.	Per ton.	Remarks as to rates and conditions.
		Tons.	Tons.	Tons.		RS. A. P.	
Ordnance ...	Ordee. and Genl. Stores ...	824	1644	2468		2 0 0	In all cases when any packages shall be put into our boat exceeding 8 cwt., the lifting power shall be supplied by Her Majesty's Government, we finding the men only; but should the Government supply the men, an allowance of As. 5 per ton will be deducted for such accommodation, and if for the want of such lifting power our boat is detained beyond 48 hours in her discharge, Rs. 6 per diem will be charged for every 24 hours so detained.
Commissariat ...	Provisions, etc. ...	223	...	223		2 0 0	
Public Works ...	Iron Works, etc. ...	32	631	713		2 8 0	
Mint ...	General Stores ...	33	1641	1674		2 0 0	
Telegraph ...	Standards wire etc. ...	1759	1038	2797		2 0 0	
Clothing ...	Clothing ...	865	...	865	One hundred feet above high water mark a-breadth of their respective depôts.	3 0 0	
Medical ...	Drugs and Instruments ...	135	...	135		2 8 0	
Marine ...	Marine and Genl. Stores ...	467	2857	3324		3 0 0	
Stationery and Stamps ...	Paper ...	2193	...	2193		2 8 0	
Miscellaneous ...	Books ...	8	81	89		2 4 0	
		6539	7942	14,481			

CALCUTTA,
16th December 1869.

(Signed) FRASER & Co.

Proceedings of the Madras Government, Financial Department,
21st August 1871.

From the Superintendent and Agent for Army Clothing, to the Secretary to the Government of India, Military Department, Fort William, dated Alipore, 21st December 1870, No. 2,579.

I HAVE the honour to submit herewith, in original, a communication from Messrs. Fraser and Co., requesting that, as the Port Commissioners charge 6 Annas on each package landed at the jetties, they may be allowed a Rupee for landing each bale or case from ships that discharge at the jetties, instead of the present contract rate of 12 Annas.

2. I am unable to recommend so excessive a rate for the reasons given in my letter No. 2,869, of the 2nd December 1869, on which I have as yet received no instructions.

3. I beg to solicit the early orders of the Government.

From Messrs. FRASER & Co., to the Superintendent and Agent for Army Clothing, dated Calcutta, 19th December 1870.

WE regret very much to have to write to you on a subject which we would not have done had not necessity compelled us, and we trust you will excuse it.

2. We have to point out that the packages consigned to you will (if not all) most of them be landed at the jetties, which will deprive us of the use of our boats. The jetty authorities claim 6 Annas for landing, the removal from the jetties to your godown in Alipore is a charge of 5 Annas to us by our contractor, which leaves us 1 Anna on each package at 12 Annas, the allowed rate; the 1 Anna scarcely covers the salary of our sircars and the hire of tarpaulins in the rainy season.

You will perceive from the above that there is actually nothing left for us.

Under the circumstances we shall be much obliged if you will consider the matter and allow us an increased rate, to enable us to have a little profit for the trouble and responsibility to us; we would ask you to raise our rate to 1 Rupee a package for all goods received at the jetties in sailing vessels only; when a ship discharges her cargo in our boats, we will charge you the usual rate of 12 Annas per package for goods imported in ships, and Rs. 1-4-0 in steamers as before, but the toll must be paid by yourself to the Commissioners at 2 Annas per ton, or the ruling rate of the time, and if the documents are handed us after the packages are landed at the jetties, there will be a charge for wharf rent and removal to the warehouse, which will be charged to you according to the rate published by the Commissioners.

A speedy reply will oblige.

P. S.—We omitted to state that we have to advance the charges for landing at the jetties before removal.

Extract from the Proceedings of His Excellency the Right Honourable the Governor-General of India in Council, in the Military Department, dated Fort William, 23rd February 1871, Nos. 1,224, 1,225 and 1,226.

Read the following papers, regarding the landing and examination of stores received from England for the various departments under the Government of India in the Military Department:—

From Financial Department, No. 589, dated 29th May 1869.

From Home Department, No. 69, dated 20th February 1869, and No. 137, dated 7th May 1869.

From Public Works Department, No. 15-A, dated 6th January 1869.

From the Superintendent and Agent for Army Clothing, No. 2,869, dated 2nd December 1869, and No. 2,579, dated 21st December 1870.

From Controller-General of Military Expenditure, No. 1,148½, dated 8th March 1870.

From Controller of Military Accounts, No. 2,022-F, dated 16th March 1870, and No. 1,666-G, dated 18th January 1871.

Read again Proceedings, July 1868, No. 130, Resolution in the Military Department, No. 196, dated 7th July 1868, Consultation April 1869, No. 1,314, and previous papers.

*Proceedings of the Madras Government, Financial Department,
21st August 1871.*

OBSERVATIONS.—In the Resolution of the 7th July 1868, a detailed system for the landing and examination of stores on arrival from England was laid down; but it was found that, to enable him to perform the duty assigned to him in the business, the Agent for Government Consignments would require so largely increased an establishment, and the expenditure in his department would be in various ways so heavy, that the Right Honourable the Governor-General in Council deemed it absolutely necessary to re-consider that part of the plan.

2. The result of the inquiries made, and of past experience in these transactions, has now led His Excellency in Council to the conclusion that, unless an inordinately heavy expenditure were incurred, the intervention of the Agent for Government Consignments in landing stores, which each department is able to effect satisfactorily for itself, could only ensure more or less delay and dissatisfaction; and on this point the suggestions of the Controller-General of Military Expenditure are well worthy of consideration.

3. The Governor-General in Council has accordingly decided that such departments as can do so shall henceforward make their own arrangements, in communication with the Master Attendant whenever this is necessary, for landing their stores, and that the other departments under the Military Department, who are from any cause not in a position to do this for themselves, shall arrange with the Commissariat Department to do it for them; but that the rules laid down in the Resolution of the 7th July 1868 must be carefully attended to in all other points, and each department be itself responsible for the thorough examination of the packages as therein ordered.

Ordered that a copy of the foregoing and of the report No. 1,148, dated 8th March 1870, be forwarded to the Financial Department for information, with reference to the orders in that department, No. 589, dated 29th May 1869.

Ordered that a copy of the foregoing be forwarded to the Home Department, with advertence to its communications noted above, and with an intimation that the Commissariat Department will be instructed to aid the Survey Department to the utmost in landing its stores, but that their proper examination must rest entirely with the Survey Department.

Ordered that a copy of the foregoing be forwarded to the Public Works Department for information, with advertence to its No. 15-A, dated 6th January 1869.

(True Extract.)

(Signed) H. K. BURNE, Colonel,
Secy. to the Govt. of India.

Copy of the above Resolution and Orders forwarded to the Officiating Master Attendant for information and guidance, in continuation of No. 201, dated 7th July 1868.

Copy of the above Resolution and Orders forwarded to the Officiating Inspector-General of Ordnance and Magazines for information and guidance, in continuation of No. 202, dated 7th July 1868.

Copy of the above Resolution and Orders forwarded to the Commissary-General for information and guidance, in continuation of No. 203, dated 7th July 1868.

Copy of the above Resolution and Orders forwarded to the Controller of Military Accounts for information and guidance, in continuation of No. 208, dated 7th July 1868.

Copy of the above Resolution forwarded to the Superintendent and Agent for Army Clothing for information and guidance, with reference to No. 204, dated 7th July 1868.

Copy of the above Resolution forwarded to the Inspector-General of Hospitals, Indian Medical Service for information and guidance, with reference to No. 205, dated 7th July 1868.

Copy of the above Resolution forwarded to the Quartermaster-General for the information of His Excellency the Commander-in-Chief, with reference to No. 206, dated 7th July 1868, and for guidance.

*Proceedings of the Madras Government, Financial Department,
21st August 1871.*

Copy of the above Resolution forwarded to the Military Storekeeper for information and guidance, with reference to No. 207, dated 7th July 1868.

By Order,

(Signed) H. K. BURNE, Colonel,
Secy. to the Govt. of India.

No. 84. ORDER THEREON, 21st August 1871, No. 367.

Communicated to the several departments of the Secretariat, to the Master Attendant, to the Inspector-General of Ordnance and Magazines, to the Inspector-General, Indian Medical Department, to the Director of Public Instruction, and to the Government Astronomer.

(True Extract.)

R. S. ELLIS,
Chief Secretary.

To the Revenue Department.

- „ Public Works Department.
- „ Military Department,
- „ Master Attendant, Madras.
- „ Inspector-General of Ordnance and Magazines.
- „ Acting Inspector-General, Indian Medical Department.
- „ Director of Public Instruction.
- „ Government Astronomer.
- „ Supervisor of the Government Press.
- „ Acting Accountant-General.

N^o 514.

Official Memorandum

The undersigned has the honor by direction of the Acting Commissioner to request that the Under Secretary to Government in charge of Financial Department, Fort Saint George, will be so good as to communicate Proceedings of Government 21st August 1871, No 367, Financial Department, to the Commissioner of Paper Currency -

Ronald

Fort Saint George }
Accountant General's Office }
Paper Currency Department }
8th September 1871. }
Offg. Asst. Secy. General
in charge of Paper-
Currency Dept.

CE

To

The Under Secretary to Government
in charge of Financial Department
Fort Saint George -

Cost. of 118713 3/4 adras.

FINANCIAL.

To
THE REVENUE DEPARTMENT,
&c., &c., &c.

Dated August, 21st.

Recd.

Recd.

G. O., 21st August 1871, No. 367.

AUGUST.
Nos. 83-84.

Communicating Resolution of Government of
India on the subject of landing stores imported by
sea.

Received 9/31

* Sir of Public Instruction
Govt of Astronomical
Dept. 21
M. S. Dept. 21
M. S. Dept. 21
M. S. Dept. 21

Botacamund. 24th Aug^r 1871. No. 367V 167
Communicated to the several departments
of the Secretariat, to the Master Attendant, to
the Inspector General of Ordnance & Magazines,
to the Inspector General Indian Medical Department,
to the Director of Public Instruction and to the Go-
vernment Astronomer.

To The Rev. Dept. 21
" Pub. Works Dept.
" M. S. Dept. 21
" Master Attendant 6
" S. C. of Ordnance & Magazines
" S. C. of Indian Medical Dept. 6

1 Enc.
3 S. C. of Ordnance
No. 395

Forwarding copy of
a Resolution on the subject
of Landing Stones
in front of the station.

With a view
to the
of the
of the
of the

21st July
1871

From
The Secy. Genl.
India. No. 1323.
21st July
1871