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Financial (1897) Department.

ORDINARY MS.

G.O., No. 256

DATED 23-3-97

INDEXED.

[Despatch Abstract.]

Recording proceedings Revenue Dept, sanctioning the purchase,
by the Director of Cinchona plantations, of cinchona barks from
private parties.

T-28/2/97

BACK PAPERS.							
G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.							
G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
1067/97	304						
	347						

Financial (1897) Department.

CURRENT No. 935

From H. R. Dept

Order 12 256 of 23-3-97

Recorded pending
further report from the Director
of Cinchona plantations.

No. 1501 min.

Dated 18th March 97

Received 19 3 97

Registered 20-3-97

Enclosures 3

Spare copies

SUBJECT.

Cinchona bark.

Sanctioning with remarks the purchase by the Director of Govt. Cinchona Plantations of ----- from private parties.

To H. R. Dept (V) 20/3/97
Autopul (V) 20/3/97

Statement proposing expenditure for which provision has not been made in the Budget Estimate for 1897-98 and which cannot be met from savings in the existing grants.

Amount of the attachment required.

Rs 15,000
(provisionally)

Major Head under which the expenditure falls.

Explain a line as to why no regular provision within the Budget grant is considered feasible.

Major Head from which a transfer to meet the charge is ordered.

"26 Scientific and other Minor Department" - "Bamboo Plantations"

The sanction of Government to the proposal that bank should be purchased was not received until after the submission of the Budget Estimate. No provision could therefore be made in the Budget for this purpose.

Estimated
15 February 1897.

(True Copy)

Done L. D. D. D.
Under Secy to Govt.

22 of C. M. D. D. D.

Recd for

BACK PAPERS.

G.O.	No.	Department.	Date.
707	Rev: 9.12.96		
830	21: 2.12.96		

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Director's Office,
Botacamund, 18th February 1887.

No. 13

From
W. M. Standen, Esq.
Director of the Government Cinchona
Plantations, Nilgiris.

To
The Secretary to Government,
Revenue Department,
Fort Saint George.

Thro'
The Accountant General,
Fort Saint George.

Sir,

With reference to G.O. No. 707, Revenue,
dated 9th December 1886, in which Government
resolves to sanction the purchase of bark from
private growers, I have the honour to request that
you will be good enough to obtain the sanction
of Government for a provisional grant of Rs.
15000-0-0 for 1897-98, to enable me to make
the necessary purchases of bark.

Since the Government has sanctioned
the purchase of only such quantities as may
be required from time to time to supplement
the yield of the plantations, it is necessary
that I should show why, in my opinion, the
above grant should be required.

The usual season for taking bark is
from

[Faint handwritten text, likely bleed-through from the reverse side of the page. The text is mostly illegible due to fading and the angle of the page.]

from December to March, i.e., during the dry months. At the close of the current official year, most of the crop of Quinine yielding barks for the current year, together with the balance remaining from last year will have been worked up in the Factory; and I estimate that we shall begin the year 1897-98 with a stock of not more than 40,000 lbs of Crown and Hybrid bark. There will be a considerable quantity of Succirubra bark, but as this is only used for the manufacture of Febrifuge, it will be necessary to supplement the stock of Crown bark by the purchase of this variety from private growers.

4. The 40,000 lbs of Quinine yielding barks, alluded to above, will probably yield 1500 lbs of Quinine, and as the harvest of 1897-98 will not be taken until the dry months of December 1897 to March 1898, it will be advisable in the mean time to buy sufficient bark to yield at least 3500 lbs of Quinine, or about 100,000 lbs of bark yielding $3\frac{1}{2}$ per cent of Quinine. The cost of this amount of bark at the rates now ruling in the London market will be from Rs 12,500 to Rs. 15,000.

5. The Budget Sanctioned in G.O. No. 605, Revenue, dated 11th November 1896, for 1897-98 provides Rs 85,100 for this Department. This sum includes the initial pay of the Government Botanist

and Director, and the maximum pay of the Government Quinologist. If the scheme for the re-organisation of the Cinchona and Botanical Departments is sanctioned by the Secretary of State, there will be a saving in connection with the above appointments of about Rs. 9400; while if the proposed re-organisation of Establishment on the Hooker Estate is sanctioned by Government, there will be a further saving of about Rs. 3700, or a total saving of Rs. 13,100. It will be seen, therefore, that in the event of both the above schemes being sanctioned, it will be necessary for Government to assign a supplemental grant of only about Rs. 1900. In my letter No. 86 dated 5th October 1896, I endeavoured to show that the purchase of bark at the present low rates would be a very profitable undertaking, and I now enclose a statement showing how the profit increases with the richness of the bark purchased. A considerable quantity of bark is immediately available, some of it containing close upon 7 per cent of Quinine. If I am permitted to purchase bark in March 1897, and pay for it in April, or later, out of the grant for which I now request the favour of sanction, a considerable profit will be made by Government; while on the other hand, if the grant is delayed, nearly the whole of this available bark will be shipped to London, and both the Government and the planter will be losers.

C No. 1817 of 97

From the Director of the Govt Cinchona Plantations
Dated 18th Feb^r 1897.
26th Feb^r 1897

FOR ORDERS.

The Hon. Mr. G. S. E.
The Hon. Mr. Bliss C. S. E.

To the Hon. the C. S.
For
Favour of committee
initials

This paper has been delayed in the office for too long. Mr. Standen points out that it is essential to make the purchase in March. It is now the 15th, though the papers were received on the 27th February. They are now circulated as V.E. 15.3.97

The delay of 16 days, and not have occurred. I think the grant applied for should be all owed. It will be the source of great profit, & it will establish a new system, which I think ought to be established, but the establishment of which will be distrusted by the Planters till it is acted on. Mr. Standen cannot actually buy the bark, but he can call for tenders at once, & a fortnight with shapers before he comes to the buying point. 16.3.97

I agree that the grant

The Director of the Govt Cinchona Plantations applies for a special grant of Rs 15000 for the purchase from private parties of the Cinchona bark required to supplement the quantity in stock during the year 1897-98. He states that no provision on this account could be made in the budget estimates for 1897-98 as G.O. No 707 of 9th Dec^r 1896 sanctioning such purchases was received by him long after the submission of his budget. He anticipates only 4000 lbs of minor yielding bark will remain in stock at the end of the current year and considers that 10000 lbs of additional bark should be purchased so as to enable him to manufacture 5000 lbs of dressing

req of State sanction the proposals for the reorganization of

7. In this connection, I may mention that the Bengal Government, recognizing the advantages to be gained by the purchase of cheap bark from private growers, have during the last four years sanctioned grants amounting to Rs. 257,025 for the above purpose.

8. I have the honour to request that Government will favour me with early orders on this subject, as most of the bark which is now held by planters will be shipped for sale in the London market within the next few months, and a further supply is not likely to be available until the end of the year. I have, etc. (Signed) W. M. Standen, Director of Govt Cinchona Plantations.

(True Copy)

Under Secretary to Govt.

FOR ORDERS

Must be made, we have to apply for a special allotment of funds which under the circumstances is not likely to be refused

7/3/97

Stock at the end of the year may be estimated at 3735 lbs. Mr Standen thinks that the 40000 lbs of bark that will be in stock at the end of the year would probably yield 1000 lbs of quinine so that during 1897-98, 5235 lbs will probably be available to meet the estimated demand for the same period, of 4649 lbs. In Decr next the harvest season again commences. It would appear from the figures furnished above that there is no absolute necessity for the purchase of barks in any large quantity now, but unless Mr Standen's present application be sanctioned it does not seem likely that the factory establishment will have sufficient work during the next year. Mr Standen says that this is the best time for purchasing bark and that if the grant is delayed nearly the whole of the bark ^{available} will be shipped to London. He adds that if the Secy of State sanctions the proposals for the reorganization of the

or that the plumbers will keep good track for us

7. In the also requests that sanction may be accorded to the purchase by him of the bark during this month and to pay for it in April next.

8. The Act General now points out that Mr Standen's last request is inadmissible under the rules and it is submitted that the A.G.'s views on the point are correct (vide art 84 of the Civil Account Code vol I). Mr Standen has not furnished an estimate of the stock of quinine on hand but it will be seen from the figures given in para 7 of G.O. 350 d/23rd July 1896 and from para 3 of Mr Standen's letter printed on page 9 of G.O. Coups n° 91 d/15th Feb 7 1897 that the quantity on hand at the beginning of the ^{current} year was 2940 lbs and that to this Mr Standen added during the year 5420 lbs, making a total of 8368 lbs. Taking the ^{probable} demand for quinine at 4633 lbs during the current year (vide App to the letter to India n° 708 d/9th Decr 1896) the balance that will remain in stock

is not year

there will be a saving of Rs 9400 in the ensuing years budget and that if the Govt. accept certain proposals made by him for the reduction of Enichona establishments (the papers are separately circulated) this saving will be increased to Rs 13,100.

4. Mr Standen's application is in these circumstances submitted for orders and the Financial Dept will note on the question whether it will be convenient to place the sum applied for at this disposal during the ^{current} year.

Submitted that Mr Standen should be authorized to purchase the necessary amount of bark. An exceptionally favourable opportunity of purchasing appears to present itself, even 7 per cent bark being in the market. It is possible that the supply of Gual may be sufficient without such a purchase, but we have no assurance that the Govt of India will not make additional demands on the Madras factory, & if

I have not seen these papers yet, but I am sure a considerable saving is possible

Now does good bark deteriorate; but it will be sent away if we do not show that there are purchasers on the spot.

The cost of production will be proportionately increased, & a reduction in price rendered less feasible. Mr Standen has previously reported that there is no difficulty in preventing the stock of Gualine from deterioration, & temporary over-production is not dangerous from the standpoint of possible damage to the stock.

15.2.97
119457

Note in Financial Dept.

The expenditure will bring in receipts per contra; & the amount asked for may be sanctioned by reappropriation from savings under other heads.

16/3/97 16/3/97 Rs 2.97

which will be sent Home does not buy it.

The telephone being too small to hold all the same expenditure with the result as before - the will be no change in the matter

PROCEEDINGS OF THE MADRAS GOVERNMENT.

-----5-----

Read the following Endorsement of the Accountant General, No. 888 dated 26th February 1897, on letter from the Director, Government Cinchona Plantations, Nilgiris, No. 13, dated 18th February 1897, soliciting the sanction of Government for a provisional grant of Rs. 15,000 for the purchase of Cinchona bark from private growers and pointing out that probably most of the grant solicited will be absorbed in the probable savings in Budget for 1897 - 98 :---

Forwarded to the Secretary to Government, Rev. Department. If the saving pointed out by the Director in para 5 of his letter do not occur, reappropriation will be necessary during the course of the year. The expenditure if incurred before 1st April next, cannot be taken against the grant of 1897 - 98.

ORDER thereon, No. 1501 Mis. L. of 18th March 1897.

The purchase of bark proposed in the letter read above is sanctioned.

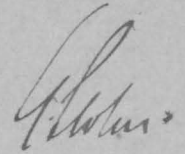
2. From the provisions of Art. 84 of the Civil Account Code, Volume I, to which the Accountant General evidently refers, it will, however, be seen that it is informal to allow the charges incurred in one year to stand over to be paid from the grant of another year. If therefore the Director is able to complete his purchases before the 31st instant, he should apply by wire to the Financial Department direct for the additional funds required during the current year. If, on the other hand, the negotiations for the purchase of the

prolonged to next 3
to Government in due course and arrangements will
be made in the Financial Department to place the neces-
sary funds at the Director's disposal.

3. The following telegram has been sent to the Di-
rector:---

"Your letter 13 eighteenth ultimo. Proposed
purchase of park sanctioned."

(True Extract)



Ag. Secretary to Govt.

10 to the Director of the Govt. Cinchona Plantations.
" Financial Department.
Copy to the Accountant General.

J/KS.

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AGAIN G.O., No.
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