Date taken out.	For what purpose.			Initials of Referencer.	Date returned.	Initials of attender.
	Department.	C. No.	Year.			

[16]

500—12-6-99.

98

Financial (1899) Department.

ORDINARY MS.

G.O., No. 1138

DATED 18.10.99

INDEXED.

8/9

[Despatch Abstract.]

Recording letter from the Govt. of India forwarding copy of a Communication from the Mily. Dept. containing information as to the reasons for the increase in the price of ammunition supplied to the Police Dept.

19.10.99

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

[J. / 52]
1,000—22-2-98.

Financial

Judicial (1899) Department.

3556

CURRENT No. ~~4144~~

J. CURRENT NO. 3556

To

H. Fin. Dept. (H.O.)

No. 58
7 + 59

6/10/99

From The Govt. of India
Home Dept. (Police)

Order

No. 589

Dated 25th Sept. 1899

Received 2nd } Oct 1899
Registered 3rd }

Enclosures 1

Spare copies 7 of the enclosure

SUBJECT.

Forwarding copy of a communication from the Military Dept. containing information as to the reasons for the increase in the price of ammunition supplied to the Police Dept.

BACK PAPERS.

G.O.	No.	Department.	Date.
	359-60 g		28. 2. 99
	1120 g		25-11-98 2nd Sr

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Report by the Controller of Military Accounts, Madras Command, to the Secretary to the Government of India, Military Department, No. 342-G., dated the 25th May 1899.

THE rates charged for the undermentioned ammunition supplied in 1890 were based on the rates given in the Financial Reviews of the Bengal Ordnance Department for 1887-88 and 1888-89:—

Cartridges, S. A. ball,
Rifle or carbine, B. L., Snider service,
Revolver, enfield,
Cartridges, S. A. blank,
Martini-Henry or Snider rifle or carbine,

whilst that for "Cartridges, S. A. ball, musket and fuzil, S. B., 3 drams, 656 bore buckshot," was obtained from the Priced Vocabulary of Stores, Indian Addendum, 1888 edition, page 85.

2. The rates for the ammunition supplied in 1895 were based on clause 70, India Army Circulars, dated 15th May 1895, except in the case of blank ammunition and Snider buckshot, the rates for which were based on the previous rate and that given in the Bengal Review for 1893-94 respectively. The rate for revolver, enfield, ammunition in 1875, was Rs. 54 per 1,000 and not Rs. 42 as quoted in the letter under report.

3. The rates charged in 1898 were those given by the Ordnance Examiner, Bengal Command, and represent the average rates of the ammunition manufactured in the Bengal and Bombay Commands.

4. It is observed that the buckshot ammunition supplied in 1895 and 1898 was Snider buckshot and not M. L. 3 drams, ·656 bore, as shown in the letter of the Chief Secretary to the Government of Madras.

5. No explanation can be furnished by this office with regard to the variation in the annual rates, as supplies of small arms ammunition for use in the Madras Command are received from other Commands when not received from England.

Report by the Controller of Military Accounts Bengal Command, to the Secretary to the Government of India, Military Department (through the Examiner of Ordnance Factory Accounts in India), No. 1790, dated the 10th July 1899.

I attach a statement showing the rates charged in the Bengal and Punjab Commands for the ammunition referred to, supplied to the Police Departmente, in those Commands during the years 1890, 1895 and 1898.

2. The percentages laid down in paragraph 964 of the Military Account Code were added to the simplified Indian stock book rates. The 14 per cent. referred to in note 2 of the paragraph was added only in the case of cartridges manufactured subsequent to the year 1892-93, as in this and previons years the charges on account of which this percentage has since been charged were included in the cost of manufacture.

3. The rates given by the Government of Madras for 1890 do not include any percentages, but are merely stock book rates. This is also the case as regards the marginally noted items for the year 1895. The remaining rates for 1895 and those for 1898 have been correctly shown by them.

Cartridges, S. A. blank, M-H. Snider rifle or carbine, B. L.
Cartridges, S. A. ball, musket and fuzil, S. B., 3 drams, ·656 bore buckshot.

4. I am unable to explain the variations in the manufacturing cost on which the rates were based. I, therefore, submit the case through the Examiner of Ordnance Factory Accounts in India.

No. 4074, dated Calcutta, the 28th July 1899.

Endorsement by the Examiner of Ordnance Factory Accounts in India.

The accompanying statement, marked A, prepared in this office, shows the manufacture cost of the marginally noted descriptions of cartridges during the ten years, 1888-89 to 1897-98, for which the accounts of the Small Arms Ammunition Factory, Dum Dum, have been compiled.

Cartridges, S. A. ball, revolver, enfield.
" blank, rifle or carbine, B. L.
" buckshot, ·656 bore, S. B., 3 drams.
" buckshot, Snider.

The causes of the variation in cost are briefly explained in the "Remarks" column of the statement. To go into greater detail, and analyze the differences in the quantities and prices of materials, would necessitate the expenditure in the manufacture of these cartridges being tabulated from the monthly returns of materials and labour for a period of eight years, 1888-89 to 1895-96, and the result would, it is thought, scarcely compensate for the time and labour that the compilation would involve. Moreover, this office could ill afford the time and labour at present, as the audit and compilation of the annual accounts of the several Ordnance Factories in India for 1898-99 are now in hand.

2. "Cartridges, S. A. ball, B. L. musket or carbine, 2½ drams, ·61 S. B.," were manufactured at Dum Dum in 1892-93 only, and "Cartridges, S. A. ball, rifle or carbine, B. L., Snider service," were not manufactured there during the whole period of ten years.

A statement, marked B, showing the manufacture cost of "Cartridges, S. A. blank, rifle or carbine, B. L.," in the Small Arms Ammunition Factory, Kirkee, during the past four years, for which the accounts have been compiled, is also annexed. In this statement the causes of the variation in cost have also been briefly explained.

The following descriptions of cartridges were not manufactured in the Small Arms Ammunition Factory, Kirkee, during 1894-95 to 1897-98:—

Cartridges, S. A. ball, B. L. musket or carbine, 1½ drams, ·61 S. B.

Cartridges, S. A. ball, rifle or carbine, B. L., Snider service.

Cartridges, S. A. ball, revolver, enfield.

Cartridges, S. A. buckshot, 656 bore, S. B., 3 drams.

Cartridges, S. A buckshot, Snider, were manufactured in the Kirkee Factory only once in 1896-97.

Statement showing the rates charged to the Police Department for the ammunition supplied during the years 1890, 1895 and 1898 and how they were arrived at.

Name of stores.		Rate. Manufacturing.	Rate. Indian addendum or average manufacturing rates for 3 years.	1890. (a) 14 per cent. to cover interest on outlay, *i.e.*, invested and working capital, added to the figure in column 2 or 3.	1890. (b) 4 per cent. on account of transport charges added to the sum of figures in columns 2 or 3 and 4.	1890. (c) 10 per cent. for departmental charges on the sum of all.	1890. Rate, including all charges.	1895. (a) 14 per cent. to cover interest on outlay, *i.e.*, invested or working capital, added with figure in column 2 or 3.	1895. (b) 4 per cent. for transport charges added to the sum of figures in columns 2 and 8.	1895. (c) 10 per cent. for departmental charges on the sum of all.	1895. Rate, including all charges.	1898. (a) 14 per cent. to cover interest on outlay, *i.e.*, invested or working capital added to the figure in column 2 or 3.	1898. (b) 4 per cent. for transport charges added to the sum of figures in columns 3 and 12	1898. (c) 10 per cent for departmental charges on the sum of all.	1898. Rate, including all charges.	Remarks.
1		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
		Per thousand.	Per thousand.													
(1) Cartridges, S. A. ball, B. L. musket or carbine, 2½ drams, 61 S. B.	1890	*Nil*	...	...	...	...	...	...	...	...	...	...	...	...	...	(*a*) Please see note 2, paragraph 964, Military Account Code.
	1895	44 0 0	...	...	...	...	...	*Nil*	1 12 1	4 9 2	50 5 3	...	...	...	...	
	1898	...	32 0 0		*Nil*			...	...	...	...	4 7 9	1 7 4	3 12 8	41 11 9	(*b*) and (*c*) Please see paragraph 964, Military Account Code.
(2) Cartridges, S. A. ball, rifle or carbine, B. L., Sinder service.	1890	38 0 0	...	*Nil*	1 8 3	3 15 2	43 7 5	...	...	...	...	...	...	...	...	
	1895	38 0 0	...	...	...	...	...	*Nil*	1 8 3	3 15 2	43 7 5	...	...	...	...	
	1898	38 0 0	...	...	...	...	...	...	...	...	...	*Nil*	1 8 3	3 15 2	43 7 5	
(3) Cartridges, S. A. ball, revolver, enfield.	1890	34 0 0	...	*Nil*	1 5 9	3 8 7	38 14 4	...	...	...	...	...	...	...	...	
	1895	44 0 0	...	...	...	...	...	6 2 6	2 0 1	5 3 5	57 6 0	...	...	...	...	
	1898	44 0 0	...	...	...	...	...	...	...	...	...	6 2 6	2 0 1	5 3 5	57 6 0	
(4) Cartridges, S. A. blank, rifle or carbine, B. L.	1890	12 0 0	...	*Nil*	0 7 8	1 3 11	13 11 7	...	...	...	...	...	...	...	...	
	1895	25 0 0	...	...	...	...	...	3 8 0	1 2 3	2 15 5	32 9 8	...	...	...	...	
	1898	19 0 0	...	...	...	...	...	...	...	...	...	2 10 6	0 13 10	2 4 0	24 12 4	
(5) Cartridges, S. A. buckshot, ·656 bore, S. B., 3 drams, or Cartridges, S. A. buckshot, Snider	1890	...	33 0 0	*Nil*	1 5 1	3 6 11	37 12 0	...	...	...	...	...	...	...	...	
	1895	*Nil*	...	...	...	...	...				*Nil.*					
	1898		...	...	...	...	...									
	1890	*Nil*			*Nil*											
	1895	48 0 0	...	...	...	...	...	6 11 6	2 3 0	5 11 0	62 9 6	...	...	...	...	
	1898	37 0 0	...	...	...	...	...	...	...	...	...	5 2 10	1 14 0	4 6 2	48 14 0	

MILITARY ACCOUNTS DEPARTMENT, ORDNANCE BRANCH;
Calcutta, the 10th July 1899.

JOHN C. C. PERKINS, *Captain,*
Examiner, Ordnance Accounts.

A.

Statement showing the cost of manufacturing certain descriptions of cartridges in the Small Arms Ammunition Factory, Dum Dum, during the past ten years for which accounts have been compiled.

Descriptions of cartridges.	Year.	Cost per 1,000 rounds. Material.	Labour.	General charges as per balance sheet No. 1.	Total cost per balance sheet No. 1.	General charges as per balance sheet No. 2.	Total cost per balance sheet No. 2.	Remarks.
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
Cartridges, S. A. ball, revolver, enfield	1888-89	28 3 0	1 2 10	3 2 11	32 8 9	3 6 3	35 15 0	The variations in the cost of materials are due to differences in the quantities used and in the prices of the materials; also to fluctuations in the rate of exchange.
	1889-90	25 4 6	1 5 0	4 3 4	30 12 10	1 0 8	31 13 6	
	1890-91	29 12 5	0 15 5	3 1 5	33 13 3	1 0 1	24 13 4	The cost of labour varies according to the skill of the workmen employed and their rates of pay.
	1891-92	31 15 7	0 15 10	3 0 0	35 15 5	1 2 1	37 1 6	*General charges, balance sheet No. 1.*—The increase in 1889-90 was due to losses* caused by deterioration of stores in stock and to the cost of proving† stores manufactured in the factory having been debited to this head in 1889-90 for the first time.
	1892-93	...	...	...	...	...	...	*Paragraph 911 / † „ 998 } Military Account Code.
	1893-94	37 4 11	1 5 8	5 4 2	43 14 9	...	...	
	1894-95	...	...	...	...	...	...	*General charges, balance sheet No. 2.*—From 1889-90 to 1892-93 these charges were not added to the cost of components used‡ as in 1888-89. In 1893-94 balance sheet No. 2 was abolished, and the general charges included therein were partly added to balance sheet No. 1.
	1895-96	...	...	...	...	...	...	‡ *vide* letter No. 4350, dated the 28th January 1890, from the Accountant General, Military Department.
	1896-97	...	...	...	...	...	...	
	1897-98	...	...	...	...	...	...	
Cartridges, S. A. blank, rifle or carbine, B. L.	1888-89	9 8 8	0 6 2	1 0 8	10 15 6	1 2 4	12 1 10	The large increase in the cost of materials in 1894-95 was due to the cases used in the manufacture of the cartridges having been incorrectly priced in previous years, as explained in paragraph 50 of the Financial Review of the Operations of the Ordnance Department, Bengal Command, for 1894-95.
	1889-90	9 15 6	0 5 5	1 1 6	11 6 5	1 2 1	12 8 6	
	1890-91	12 9 8	0 5 8	1 2 1	14 1 5	1 3 3	15 4 8	The case used in 1895-96 cost less than those used in 1894-95, which accounts for the fall in the cost of materials during 1895-96.
	1891-92	7 4 7	0 5 7	1 1 1	8 11 3	0 11 3	9 6 6	
	1892-93	8 5 7	0 5 11	1 1 1	9 12 7	0 12 10	10 9 5	The decrease in the cost of materials and increase in the cost of labour in 1896-97 and 1897-98 are due to the system of manufacturing cartriage components on separate work orders, having been discontinued in 1896-97, as explained in paragraph 103 of the Financial Review of the Operations of the Ordnance Department, Bengal Command, for that year. The cost of labour was higher in 1897-98 than in 1896-97, because some components which remained in stock at the commencement of 1896-97 were utilised in that year, whereas in 1897-98 the cartridges were made up almost entirely from raw materials.
	1893-94	12 10 6	0 4 10	1 3 1	14 2 5	...	...	
	1894-95	22 8 3	0 6 9	1 9 8	24 8 8	...	...	
	1895-96	16 2 4	0 6 2	1 3 4	17 11 10	...	...	
	1896-97	10 9 5	0 10 5	2 2 4	13 6 2	...	...	As regards the increase in general charges, balance sheet No. 1 in 1893-94, please see remarks against "Cartridges, S. A. ball, revolver, enfield," regarding the abolition of general charges, balance sheet No. 2, in that year.
	1897-98	11 8 4	2 3 8	5 9 6	19 5 6	...	...	
Cartridges, S. A. buckshot, ·656 bore, S. B., 3 drams.	1888-89	24 7 11	0 3 4	0 8 11	25 4 2	2 10 0	27 14 2	These differences are slight and do not call for remark.
	1889-90	...	...	...	...	...	...	
	1890-91	25 14 9	0 2 8	0 8 6	26 9 11	1 11 0	28 4 11	
	1891-92	...	...	...	...	...	...	
	1892-93	...	...	...	...	...	...	
	1893-94	...	...	...	...	...	...	
	1894-95	...	...	...	...	...	...	

Statement showing the cost of manufacturing certain descriptions of cartridges in the Small Arms Ammunition Factory, Dum Dum, during the past ten years for which accounts have been compiled—contd.

Descriptions of cartridges.	Year.	Cost per 1,000 rounds. Material.	Labour.	General charges as per balance sheet No. 1.	Total cost per balance sheet No. 1.	General charges as per balance sheet No. 2.	Total cost per balance sheet No. 2.	Remarks.
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
Cartridges, S. A. buckshot, ·656 bore, S. B., 3 drams—*contd.*	1895-96	...	...	...	...	...	...	
	1896-97	...	...	...	...	...	...	
	1897-98	...	...	...	...	...	...	
Cartridges, S. A. buckshot, Snider	1888-89	33 3 10	1 6 9	3 13 6	38 8 1	4 0 2	42 8 3	The increase in the cost of materials used in 1891-92 is due to the increase in the cost of cartridge cases which fell in 1895-96. As regards the decrease in the cost of materials and increase in the cost of labour in 1896-97 and 1897-98, please see remarks against "Cartridges, S. A. blank, rifle or carbine, B. L.," regarding the discontinuance of the system of manufacturing cartridge components on separate work orders.
	1889-90	...	...	...	...	..	...	
	1890-91	34 0 3	1 3 8	3 14 8	39 2 7	1 12 1	40 14 8	
	1891-92	40 15 11	1 1 10	3 5 11	45 7 8	1 10 6	47 2 2	
	1892-93	43 12 3	1 2 5	3 4 11	48 3 7	1 9 8	49 13 3	
	1893-94	41 15 3	1 5 1	5 1 7	48 5 11	...	...	
	1894-95	40 10 10	1 13 1	6 14 4	49 6 4	...	...	
	1895-96	35 2 0	1 11 2	5 5 8	42 2 10	...	...	
	1896-97	24 8 7	2 13 11	9 6 4	36 12 10	...	...	
	1897-98	25 6 9	3 2 11	7 15 10	36 9 6	...	...	

H. N. WHELAN, *Military Accountant,*

Examiner of Ordnance Factory Accounts in India.

B.

Statement showing the cost of manufacturing "Cartridges, S. A. blank, rifle or carbine, B. L.," in the Small Arms Ammunition Factory, Kirkee, during the past four years for which accounts have been compiled.

Description of cartridges.	Year.	Cost per 1,000 rounds. Material.	Labour.	General charges.	Total cost.	Remarks.
		Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
Cartridges, S. A. blank, rifle or carbine, B.L.	1894-95	19 12 1	0 6 2	0 10 8	20 12 11	The variations in the cost of materials are due to differences in the quantities used and in the prices of the materials. The increase in the general charges in 1897-98 was due to four new foremen having been appointed to the factory from England, to a greater loss on the sale of old stores than in the previous year, and to heavier charges for repairs to machinery.
	1895-96	18 12 5	0 5 10	0 10 5	19 12 8	
	1896-97	18 12 9	0 6 2	0 12 6	19 15 5	
	1897-98	16 2 4	0 6 2	1 0 4	17 8 10	

Note.—Records of the Small Arms Ammunition Factory, Kirkee, for five years from the year 1894-95 only have been transferred to this office.

H. N. WHELAN, *Military Accountant,*

Examiner of Ordnance Factory Accounts in India.

Military Accounts Department,
Central Factory Account Office;
Calcutta, the July 1899.

No. 3554-D. "Equipment—Police," dated Simla, the 17th August 1899.

Endorsement by the Government of India, Military Department.

Copy of the foregoing forwarded for informatin to the Home Department, with reference to their endorsement No. 172, dated the 12th April 1899.

3556

CURRENT No. 4144

No. 589

From

H. Luson, Esq.,

Deputy Secy. to the Govt. of India.

To

The Chief Secy. to the Govt. of Madras.

Home Department.

(Police)

CHIEF SECRETARY
-2 OCT. 1899
GOVERNMENT OF MADRAS

Simla, the 23rd September 1899.

Sir,

In reply to your letter No.360, dated the 28th February 1899, I am directed to forward, for the information of the Governor in Council, copy of a communication from the Military Department containing information as to the reasons for the increase in the price of ammunition supplied to the Police Department.

IV

×No,3554 dated the 17th Augt. 1899, with enclosures.

I have the honour to be,

Sir,

Your most obedient Servant,

H. Luson.

Deputy Secy. to the Govt. of India.

H.L.B.

Cancl: 1-1 & 3550 Dist. Jail CN: 4144/1

C no 3556

Increased cost of ammunition supplied to the Madras Police

C

vide remarks (f) & (g) on page 15 of f.-o No 1120 dated 25-11-98

A

Financial Department

Note

The provision for "ammunition under 26 C. Police - Destructive Insects" was raised by the Inspector of Police from 13 lakhs to 23 lakhs both in the revised estimate for 1898-99 and the budget estimate for 1899-1900; and the enhanced provisions were explained to be due to the rise in the price of ammunition charged by the Military department. The Inspector addressed the Examiner of Ordnance accounts as to the reason for the increase in the price of blank ammunition in which the largest increase occurred, the price charged in 1898 being Rs 22 per 1000 cartridges against Rs 12 in 1894 & 1895. The Examiner stated that the rate was the stock book rate including all charges of ammunition manufactured in Bengal and that he was unable to say what was the reason of the increase.

IV

In f.-o. No 359/60 Genl dated 28th February 1899 the Govt. of India in the Home department was addressed in order to ascertain the reasons of the increase in the price of ammunition.

"Lat government forwards a communication from the Military department containing information as to the reasons for the increase in the price of ammunition supplied to the Police department. The Causes of the variation in cost are briefly explained in the remarks column of the Statement — pages 4 and 7.

The Examiner of Ordnance factory accounts in India remarks "To go "into greater detail and analyse the "differences in the quantities and prices of "Materials would necessitate the expenditure "in the manufacture of these cartridges "being tabulated from the monthly returns "of materials and labour for a period of "eight years 1888-89 to 1895-96 and the "results would, it is thought, scarcely compensate "for the time and labour that the compilation "would involve".

In the circumstances explained it is submitted that the amount may be

Order No. 1138 dt. 28.10.98.

Min Recorded.

C.W.S. 19.10.98

Illegible

Dy Police (97) his letter no. F.D. 359/60 dt. 25.2.98 a ff.d. and a per. 3556

Please also see the type-written note in F.D. No. 359/60 dt. 25.2.98.

IV

+ Herewith

When given for copying 19.X
When copied 20.X.
When examined 23.X
When signed 23.X
} 1897

READ AGAIN G.O., No. , DATED 189 .

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT	A	A	A	A	A	A	A	
LETTER OF GOVERNMENT.								
STATEMENT WITH DITTO.								
PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.								

N.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only