

GOVERNMENT OF MADRAS.

MILITARY DEPARTMENT.

30th March 1881, No. 1828.

Accounts.

Read the following papers :—

No. 454. *From Colonel G. CHESNEY, Secretary to the Government of India, Military Department, to Colonel E. L. HANKIN, Acting Secretary to Government, Military Department, Fort St. George; dated Fort William, 14th March 1881, No. 348-B.*

Accounts.

I am directed to forward herewith, for the information of the Government of Fort St. George and for guidance, a copy of the rules for the calculation of stock book rates and for the payment issues of military and marine stores, which have been sanctioned by the Government of India in supersession of all previous orders on this subject.

To the Secretary to Government, Bombay, Military Department.

Copies of the above forwarded for information to the Inspector-General of Ordnance, Bengal; the Commissary-General, Bengal; the Surgeon-General with the Government of India; the Surgeon-General, Her Majesty's Forces; the Superintendent and Agent for Army Clothing, Bengal; the Adjutant-General in India; the Quartermaster-General in India; the Controller of Military Accounts, Bengal; the Accountant-General, Military Department; and the Department of Finance and Commerce.

Rules for the Calculation of Stock Book Rates and of Payment Issues of Military and Marine Stores.

1. The stock book rates of Europe stores will be calculated on the invoice prices (average for three years) with the addition of the authorised per-centages for packing, freight, War Office and landing charges, the cost thus obtained being converted into Indian currency at the uniform rate of 2 shillings per rupee,—these rates to constitute the stock book rates, and to be used in all statistical returns. As an exception to this rule, the prices of ordnance stores should be taken from the latest edition War Office vocabulary, balance sheet No. 21, with per-centages as above. In taking the invoice prices as a starting point, all farthings should be omitted, the nearest penny being taken $2\frac{1}{4}d.$ or $2\frac{1}{2}d.$ being taken as $2d.$, and $2\frac{3}{4}d.$ as $3d.$

2. They will be revised ordinarily at intervals of five years, but be altered specially in case of sudden extraordinary variations, such as have happened occasionally with such stores as quinine, metals, &c.

3. In the case of issues on payment, and for comparative statements of the cost of imported and local supplies, a further per-centage of five-fourths for every farthing below par should be added to the stock book rates to cover loss by exchange, the per-centage being reckoned on the rate taken in the budget for the sale of the Secretary of State's bills for the year in which the payment issues are made, or for which the comparative statements are required. When this per-centage gives a fraction, the nearest integral figure should be taken as explained in para. 1.

4. After the stock book rates have been calculated as explained in the above paragraphs and in the following rules, they will be further simplified as follows :—

(1)—By striking out all fractions of an anna, taking the nearest anna.

(2)—When the amount is above Re. 1, no fraction of a rupee but fourths will be allowed, the nearest fourth of a rupee being taken.

(3)—When the amount is above Rs. 10, no fraction of a rupee will be allowed, the nearest rupee being taken.

(4)—When the amount is above Rs. 100, no fraction of Rs. 10 will be allowed, the nearest Rs. 10 being taken.

I.—FOR THE CALCULATION OF STOCK BOOK RATES OF EUROPE STORES.

The following per-centages will be added to invoice prices (average of three years), or War Office vocabulary rates (latest edition) in the case of ordnance stores, and the whole converted into Indian money at 2 shillings per rupee:—

Items.	Ordnance Stores.	Clothing Stores.	Marine Stores.	Medical Stores.	Malt Liquor.	Commissariat Stores.
Freight	5	3	5	5	14	5
Packing	3	3	3	3	...	3
Landing	2	2	2	2	2	2
War Office charges when made ...	5	3	As actually made.			
Total ...	15	8	10	10	16	10

Coal.—Original cost and freight plus 5 per cent. landing charges.

Timber.—Actual cost, including freight and all landing and storing charges.

N.B.—Only one rate, namely, that for stores imported by Government, to be used as the stock book rate for all Europe stores, notwithstanding that some of them are occasionally purchased in India.

II.—FOR THE CALCULATION OF THE STOCK BOOK RATES OF LOCAL AND MANUFACTURED STORES.

In all cases where Europe stores are used for manufacturing purposes, the cost of such raw materials will be based on their stock book rates plus the per-centage for loss by exchange.

N.B.—The term local stores applies solely to articles of local produce or manufacture. All Europe stores, whether imported by Government or purchased locally, are classed and provided for under Section I.

Ordnance Stores.

(a) *Purchased.*—Average contract or purchase rates in each presidency during three years prior to working out or revising the rates, plus any incidental charges.

(b) *Received from Indian Ordnance Factories.*—Actual cost according to balance sheet, No. 2, i.e., material and labor plus indirect charges, including repairs of tools, plus proportion of per-centage for interest on capital and for deterioration.

(c) *Made up in Arsenal.*—Cost of material and labor, plus 10 per cent. for indirect charges calculated on cost of labor.

(d) *Stores received from other Indian Departments.*—Actual cost as debited to the Ordnance Department by the Supplying Department.

Clothing Stores.

(a) *Purchased.*—Same as for purchased ordnance stores.

(b) *Locally manufactured.*—Actual cost as per balance sheet No. 2—See above for ordnance stores.

Marine Stores.

(a) *Purchased.*—Same as for purchased ordnance stores.

(b) *Manufactured locally.*—Articles manufactured or converted in the yard for the purpose of being placed in stock will be taken on the books at cost of materials, plus cost of manufacture or conversion, plus 10 per cent. on the latter charge for supervision, wear and tear, &c.

Medical Stores.

(a) *Purchased.*—Same as for purchased ordnance stores.

(b) *Manufactured locally.*—Cost of material, plus labor computed at 15 per cent. on cost of material, plus 10 per cent. on the charge for labor on account of supervision, wear and tear, &c.

Malt Liquor.

Purchased.—Same as for purchased ordnance stores.

Commissariat Stores.

Purchased.—Same as for purchased ordnance stores.

III.—THE RATES TO BE CHARGED ON STORES SOLD OR ISSUED ON PAYMENT.

N.B.—All transit or transport charges from place of issue to the consignees will be arranged for separately by the consignees themselves, with the exception noted under payment issues of clothing stores to British troops. In all cases where this is practicable, the per-centages for loss by exchange, departmental charges, &c., will be charged on the total value of the issues, and not on each separate article.

Ordnance Stores.

(a) *To Troops and Volunteer Corps.*—For all such stores as they are entitled to demand, Woolwich vocabulary rates (latest edition), balance sheet No. 1, or contract, as the case may be; and for local stores, actual cost (i.e., the stock book rate), provided it does not exceed the Woolwich rate above referred to. Rate of exchange in converting the prices in the Woolwich vocabulary, 2 shillings per rupee.

Unauthorised stores, i.e., stores not authorised by regulations, but which are required for battery or regimental purposes, will be charged for at Indian stock book rates, plus per-centage to cover loss by exchange in the case of Europe stores.

(b) *To Native States, Local Governments for use of Police and Private Individuals.*—Indian stock book rates, plus per-centage to cover loss by exchange in the case of Europe stores, plus cost of transport from sea-board to place of issue at 1 pie per maund per mile, plus 10 per cent. departmental charge on the sum of the above charges. In the case of unserviceable ordnance stores so issued, the charge will be simply one-tenth of the stock book rate of the articles, including per-centage for loss by exchange in the case of Europe stores, but without any addition for transport or departmental charges. To this rule there will be occasional exceptions when stores, such as arms of obsolete pattern, &c., may be classed unserviceable, but in reality are worth much more than one-tenth of the stock book value; in such cases special rates will be fixed by the Inspector-General of Ordnance in communication with the Controller of Military Accounts.

Clothing Stores.

(a) *To British Troops.*—All payment issues, whether made from the clothing agencies or from surplus regimental stock, will be charged for at the full compensation value, with an addition of 5 per cent. to cover the cost of carriage.

Part-worn clothing sold to men will be charged for at rates varying according to the period it has been in wear, the valuation being based on the compensation rates.

(b) *To Native Troops.*—Indian stock book rates, plus per-centage for loss by exchange in the case of Europe stores, plus 5 per cent. to cover the risk of loss by damage, deterioration in the passage out, in the agency, or in the transit to the regiment, plus customs duty.

(c) *Other Payment Issues.*—Europe stores at stock book rates, plus per-centage for loss by exchange, plus customs duty, plus 10 per cent. on the sum of the above to cover incidental charges. Local stores at stock book rates, plus 10 per cent. to cover incidental charges.

Marine Stores.

(a) *To Marine and other Government Departments.*—All issues to Marine Department will be charged for at stock book rates, plus per-centage for loss by exchange in the case of Europe stores; and to other departments with an addition of 10 per cent. on the sum of the above charges to cover loss and establishment charges, with the cost of carriage if forwarded to any place out of the yard.

(b) *Indian Troop Transport Service.*—As to Marine Department, with the exception of coals, which shall be charged at original cost, plus freight, plus per-centage for loss by exchange plus Rs. 2-8-0 per ton for landing, shipping, and other miscellaneous charges.

(c) *Vessels of the Royal Navy.*—

(1) Stores, including coal and timber, obtained from England, will be charged for at stock book rates, plus per-centage to cover loss by exchange, plus 10 per cent. on the sum of the above charges to cover proportion of establishment and contingent outlay.

(2) Stores, including coal and timber, locally purchased, will be charged for at stock book rates, plus 10 per cent. as above.

(3) Stores obtained specially for these vessels and not taken into the general stock of the dockyard, or passed through the yard accounts, will be charged at cost-price without any per-centage. Any additional charge in respect of such stores will be limited to the actual expense incurred in their receipt and examination.

(4) Victualling stores issued from stock will be charged at stock book rates *plus* per-centage for loss by exchange in the case of Europe stores, *plus* 2½ per cent. on the sum of the above charges. When obtained specially, the charges to be as in (3).

(d) *Foreign Naval Vessels, Municipalities, Public Trusts, Native States, and Private Individuals.*—Europe stores will be charged for at stock book rates, *plus* per-centage for loss by exchange, *plus* customs duty, *plus* 15 per cent. departmental charges calculated on the sum of the above charges. Stores locally purchased will be charged for in the same manner, exclusive of per-centage for loss by exchange and customs duty, unless when purchased in bond and the seller does not pay duty.

Medical Stores.

(a) *To Local Governments, Civil Departments, and Charitable Dispensaries.*—For Europe stores, stock book rates, *plus* per-centage for loss by exchange, *plus* 10 per cent. on the sum of the above two items to cover deterioration and other charges. For local stores, stock book rates, *plus* 10 per cent.

(b) *To Municipalities, Native States, and Private Individuals.*—For Europe stores, stock book rates, *plus* per-centage for loss by exchange, *plus* 20 per cent. on the sum of the above two items to cover deterioration, interest on capital, and other charges. For local stores, stock book rates, *plus* 20 per cent.

(c) For surgical instruments and medical stores damaged or lost, in cases when recovery has to be made from medical officers and subordinates responsible for their safe custody, stock book rates (*plus* per-centage for loss by exchange in the case of Europe stores), *plus* 7 per cent.

Malt Liquor.

To Canteens.—No change in present rules.

Commissariat Stores.

Payment Issues to the Army.—Stock book rates, *plus* per-centage for loss by exchange in the case of Europe stores. These stores are not, as a rule, issued on payment to Native States or private individuals; but in the event of such issue, an additional charge of 10 per cent. will be made to cover all incidental charges.

The above does not apply to rum, in the charge for which no change is made.

No. 455.

ORDER THEREON, 30th March 1881, No. 1828.

Communicated to the Controller of Military Accounts for information and guidance, also to departments concerned.

(True Extract.)

W. B. Bantleman Colonel,
Ag. Secretary to Government.

To the Controller of Military Accounts.

- „ Adjutant-General.
- „ Quartermaster-General.
- „ Inspector-General of Ordnance.
- „ Commissary-General.
- „ Superintendent and Agent for Army Clothing.
- „ Surgeon-General, Her Majesty's Forces in Madras.
- „ Surgeon-General with the Government of Madras.
- „ Public, &c., Departments.
- „ Revenue Department.
- „ Public Works Department. *with 20 sf copies*

Exd. F. R. Bantleman.

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P. H. C. No 2179

Govt. of (1881) Madras.

MILITARY.

Prop April

To

THE CONTROLLER OF
MILITARY ACCOUNTS,
&c., &c., &c.

no. 5c

Dated March, 30th.

Issued

Recd.

April 6

Encl.

G.O., 30th March 1881, No. 1828.

MARCH.

Nos. 454-455.

Communicating letter from the Government of India forwarding a copy of the latest sanctioned rules for the calculation of stock book rates and for the payment issues of military and marine stores.

Ex. P. H. C.

Dep. Secy

12-4-81

N. 976w

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1 - Copy to Secy 26-4-81

No 976w of 12 April 81

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