M.R.O. 14—10,000—21-4-31.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 2450 Press ~~Mis.~~

328-329

Dated 9-12- 1860.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
19th December 1860.

No. 328. Read the following Proceedings of the Board of Revenue, dated 22nd November 1860, No. 5,433 :—

Read again letter from the Collector of Malabar, dated 28th August 1860, No. 173.

(In Cons., 3rd September 1860, No. 4,386.)

Read also the following letters :—

From P. GRANT, Esq., Collector of Maladar, dated 16th October 1860, No. 197.

1. In reply to the Board's Proceedings of the 20th ultimo, I have the honor to report that as the Seals therein alluded to could not be manufactured by any one in this District, the work was entrusted to Messrs. Orr & Co. of Madras, under the belief that their respectability and long established reputation was a sufficient guarantee against their making a charge which would be considered otherwise than fair or reasonable. An estimate was not required of them from the circumstances of the manufacture of the Seals having been already sanctioned, and the practice of submitting estimates for charges previously sanctioned not having heretofore obtained.

2. Since the receipt of the Board's Proceedings under acknowledgment, I addressed Messrs. Orr & Co. to know whether they could make any and what reduction in their charge for the Seals. Their reply* consenting to a decrease of 45 Rupees, together with their original bills, dated 14th May and 13th August last, amounting to Rupees 415, and one of the Seals† are herewith forwarded.

* *Dated 9th instant.*
† *Forwarded in a separate paeket.*

3. I was not before aware that the manufacture of the Seals could have been undertaken by the Mint at Madras.

From Major C. A. ORR, Engineers, Mint Master, dated 2nd November 1860, No. 239.

1. In reply to your Official Memorandum of yesterday's date, I have the honor to inform you that the Seal* referred for my inspection would cost, if made in the Mint in a superior style, about Rupees 15, namely Rupees 9-4 for silver, and Rupees 5-12 for labor, &c.

* *Herewith returned.*

2. I would take this opportunity of mentioning, for the consideration of the Board, that I believe all work of the description of this Seal can be obtained more economically from the Mint than from any other Establishment, inasmuch as the actual value of the materials and labor expended is alone charged for, without the exorbitant per centage for profit which the private manufacturer considers necessary for his remuneration.

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1. Ordered that the above letters be submitted for the orders of Government, with the specimen Seal received from Malabar.

2. In June 1859, on the appointment of Deputy Collectors to the Mufassal Districts, the Board instructed the Collectors to have Seals similar to those used by their Covenanted Assistants manufactured for their Uncovenanted Deputies, and to include the charge in their Contingent Bills.

Circular 3rd June 1859. *Circular Order Supplement page* 134.

3. The Collector of Malabar not considering that had the Board intended the Seals to be made at Madras they would certainly themselves have procured them from the Mint, sent an order for them to Messrs. Orr & Co., Silversmiths of Madras, and now solicits sanction† for their Bill of Rupees 415, for eight Silver Seals, or an average of about Rupees 52 per seal.

† *From Malabar, 28th August, in Cons., 3rd September* 1860, *No.* 4,386.

4. The Board deeming the charge exorbitant to a degree that rendered it altogether inadmissible called on Mr. Grant for further explanation, and a specimen of the Seals, and in his reply‡ he stated that Messrs. Orr & Co. had agreed to an abatement of Rupees 45 on their original charge, reducing their bill to Rupees 370, and the cost of each Seal to Rupees 46-4.

‡ *From Malabar* 16*th, in Cons., 22nd October* 1860, *No.* 5,355.

5. The specimen Seal was forwarded* to the Mint Master with the Board's request that he would inform them what from his experience in the Mint he considered a fair and remunerative charge for its manufacture and engraving including the cost of materials, and his reply† states that "if made in the Mint in a superior style, it "would cost about Rupees 15, viz. Rupees 9-4 for silver, "and Rupees 5-12 for labor,&c." He, however, adds that work of this description can be obtained more cheaply from the Mint than from any private Establishment, but making all due allowance for such considerations the Board cannot admit that Messrs. Orr & Co.'s charge even approaches what is fair and just.

* *Official Memorandum to Mint Master, 1st November* 1860.

† *From Mint Master 2nd, in Con., 3rd November* 1860, *My. No.* 3,230.

	RS.	A.
Silver	9	4
Labor	7	12
Handle	2	0
Packing, &c	1	0
	20	0
Interest at 25 per cent. for Trade profits.	5	0
Rupees...	25	0

6. The utmost that they can recommend to Government is that the Collector be authorized to charge for the Seals in his accounts at the rate of Rupees 25 each calculated as shown in the margin, or a total of Rupees 200 for the eight seals.

7. The Collector must himself arrange for the settlements of Messrs. Orr & Co.'s account, as the expenditure was incurred without estimate or sanction.

(True Extract and Copy.)
(Signed) W. HUDLESTON, *Acting Secretary.*

No. 329. ORDER THEREON, 19th December 1860, No. 2,450.

1. From the foregoing Proceedings it appears that when, in consequence of the appointment of Deputy Collectors in the Provinces, a circular was issued by the Board of Revenue authorizing Collectors to have made seals similar to those used by their Covenanted Assistants, the Collector of Malabar under the impression, that such seals could not be manufactured in his District, and also under the belief that the "respectability and long established reputation" of Messrs. Orr & Co. of Madras were "sufficient guarantee against their making a charge which "would be considered otherwise than fair or reasonable," entrusted the work to that firm, without requiring an estimate of the probable cost.

2. The result was that eight silver seals were manufactured and a bill presented for Rupees 415-0-0, being on an average, Rupees 52 per seal. Messrs. Orr & Co. subsequently agreed to an abatement of Rupees 45 on their original charge, thereby reducing the cost of each seal to Rupees 46-4-0.

3. The Mint Master to whom the Board referred for inspection one of the seals in question, has informed them that a similar one if made in the Mint "*in a superior style*," would cost about Rupees 15-0-0, allowing Rupees 9-4-0 for silver and Rupees 5-12-0 for labor.

4. After taking into consideration that the Mint charges do not include any per centage for profit, and that work of this description can be obtained more economically from the Mint than from any other establishment, the Board cannot admit that even the smaller of Messrs. Orr & Co.'s charges "approaches what is fair and just." They therefore recommend that the Collector be authorized only to charge in his accounts at the rate of 25 Rupees per seal, i. e. Rupees 20 for the seal, including labor, silver, handle, packing, &c., and Rupees 5 for profit or at the rate of 25 per cent.

5. The Government quite agree with the Board and Mint Master in thinking Messrs. Orr & Co.'s charges exorbitant. Taking the Mint Master's valuation, their profit, even after the reduction made in their bill, exceeds 200 per cent.; and at the Board's liberal rate of calculation, viz. 20 Rupees, their profit would be more than 125 per cent.

6. The proposal of the Board as contained in paragraphs 6 and 7 of their Proceedings under review will therefore be carried into effect. Mr. Grant will be informed that Government cannot relieve him of any further portion of the expense incurred through his imprudence in having the work done by Messrs. Orr & Co., without an estimate.

7. The Governor in Council directs that in future, work of this nature should in all cases be done at the Mint.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

No. 4,269.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 20th September 1860.

Read the following letter from P. GRANT, Esq., Collector of Malabar, to J. D. SIM, Esq., Secretary to the Board of Revenue, Fort Saint George, dated Calicut, 28th August 1860, No. 173 :—

1. I have the honor to request you will be good enough to obtain the sanction of Government to a charge of Rupees 415, incurred for making eight* silver Seals for the Deputy Collectors in this District, under the authority conveyed in the Board's Circular, dated 3rd June 1859, No. 2,042.

* 4 Revenue and 4 Magisterial.

2. The Seals have been manufactured by Messrs. Orr and Co. of Madras.

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1. The Board are surprised that the Collector should have obtained from Madras the Seals required for his Deputy Collectors, and which had the Board not intended them to be cheaply manufactured in the Districts, they would themselves have ordered from the Mint.

2. They moreover consider the charge of Rupees 415 for eight Office Seals to be excessive to a degree which precludes them from recommending the expenditure to Government for sanction.

3. Mr. Grant will please to report fully on the subject, stating the terms of the order, whether any estimate of cost was required, and forwarding one of the seals for inspection. He will at the same time transmit the original Bill for eventual submission to Government, if necessary.

(A true Copy and Extract.)

(Signed) W. HUDLESTON
Sub-Secretary.

To P. Grant, Esq., Collector of Malabar.

Exd. J. Wright.

Rev Dept 1860

№ 2450

Proceedings of the Madras Government under date the 19th December 1860.

Read the following Proceedings of the Board of Revenue

Submitting with the Bd's observations letters from the Collector of Malabar and the Mint Master soliciting sanction for the charges of eight silver seals manufactured by Messrs Orr & Co of Madras for the Deputy Collectors.

Here enter 22 Nov. 1860. No. 5433.

From the foregoing Proceedings it appears that when, in consequence of the appointment of Deputy Collectors in the Provinces, a circular was issued by the Board of Revenue authorizing Collectors to have made seals similar to those used by their Commanded Assistants, the Collector of Malabar under the impression, that such seals could not be manufactured in his District and also under the belief

Enclosure 1 in Proceedings of the Board of Revenue to the Govt Secretary to Govt Revenue Dept dated 22nd Novr 1860. No. 5433.

1860. Dept

P 28 Dec 60

Letter from the Collr of Malabar to the Bd of Revenue dated 28th July 1860. No. 1713 - regarding Silver Seal of Dpty Collrs - Madras -

that the "respectability
"and long established
"reputation" of Messrs
Orr & Co of Madras were
"sufficient guarantee a-
"gainst their making an
"charge which would be
"considered otherwise
"than fair and reasonable,
entrusted the work to the
firm, without requiring
an estimate of the pro-
bable cost.

2. The result was that
eight silver seals were
manufactured and
delivered presented for Rs.
415-0-0, being at an
average of Rs. 52 per seal.
Messrs Orr & Co subsequent-
ly agreed to an abatement
of Rs. 45 on their original
charge, thereby reducing
the cost of each seal to
Rs. 46-4-0.

3. The Smith Masters to
whom the Board referred
for inspection one of
the seals in question
has informed them that
a similar one if made in
the Mint "in a superior
"style," would cost about
Rupees

4

Rupees 15-0-0 allowing Rs.
9-4-0 for silver and Rupees
5-12-0 for labor.

4. After taking into
consideration that the Mint
charges do not include any
percentage for profit, and
that work of this description
can be obtained more
economically from the
Mint than from any other
Establishment, the Board
cannot admit that even
the smaller of Messrs Orr
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Rupees per seal. i.e. Rs.
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We

5.

5. The Government quite agree with the Board and Mint Master in thinking Messrs Orr and Co's charges exorbitant. Taking the Mint Master's valuation, their profit, even after the reduction made in their bill, exceeds 200 per cent; and at the Board's liberal rate of calculation viz 20 Rupees ~~the~~ their profit would be more than 12.5 per cent.

6. The proposal of the Board as contained in paras 6 and 7 of their Proceedings under review will therefore be carried into effect. Mr Grant will be informed that Government cannot relieve him of any further portion of the expences incurred through his imprudence in having the work done by Messrs Orr and

and so without an estimate

7. The Government in Council directs that in future work of this nature should in all cases be done at the Mint.

C.J.M.

J.D.S.

12 Copies. Board of Revenue with 2 Enclos. & a Silver Seal
3 " Accountant Genl's
3 " Civil Auditor's
1 " Mint Master
5 " Financial Depts.

Silver Seals for the Collr of Malabar

Revenue 1860 Dept.
Pro: of Govt for Decr.

No 2450

Pro: of the Madras Govt
Dt 19th December 1860

Recommending
that the Collector of Malabar
be authorized to charge
in his accounts for the 8
Silver Seals manufac-
tured by Messrs Orr & Co.

No 328 & 329

C. & Govt. P. 12.