M.R.O. 14—10,000—21-4-23

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 330	Press Mis.
148-149	
Dated 11-2-	18 69.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
11*th February* 1861.

No. 143. Read the following Proceedings of the Madras Government in the Military Department, dated 1st February 1861, No. 427:—

Refer for consideration a letter from the Military Auditor General, suggesting the discontinuance of the system under which Arrack is supplied to the Collector of Madras by the Commissary General.

(Vide Military Proceedings, 1st February 1861, Nos. 50—52.)

No. 144. ORDER THEREON, 11th February 1861, No. 330.

Referred to the Board of Revenue for early report, with reference to paragraph 11 of the Military Auditor General's letter of 18th January 1861, No. 32, whether the Collector of Madras would have any difficulty in obtaining his own supply of Arrack, without the aid of the Commissariat Department.

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

MILITARY DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following papers :—

From the Military Auditor General and Controller of Military Finance, Fort Saint George, 18th January 1861, *No.* 32; *to the Secretary to Government, Military Department, Fort Saint George.*

In the 35th para. of my letter to your address No. 23 of the 10th instant, forwarding for submission to Government, the Military Estimates for the year 1861-62, I took occasion to point out with reference to that of the Commissariat, that the estimate for Arrack appeared to be excessive: and intimated my intention of bringing the matter under the consideration of Government as soon as I received replies to certain questions which I had put to the Commissary General on the subject.

2. I have now the honor to forward copies of the correspondence.

3. It will be recollected that the Commissary General has estimated the supply at Gallons 3,37,679, at a cost of Rupees 3,11,953, being the computed rate for 18,503 men at two drams a day each.

4. The Commissary General in his letter to my address of the 9th instant, gives the annual consumption at Gallons 2,28,000 at a cost of Rupees 2,00,687; it is not clearly shown whether this quantity includes the 80,000 Gallons which are handed over to the Collector of Madras, but if it does, then the consumption for Military purposes ought to be the less by that quantity or Gallons 1,48,000.

5. The quantity for 15,000 men (the computed strength of the Army,) at one dram a day each, (the probable expenditure) is Gallons 1,36,000.

6. The Commissary General estimates the probable stock on hand on the 1st May 1861, at Gallons 1,63,000.

7. Since the Budget was completed and submitted to Government, I have received from Colonel McCally a statement showing the articles which he purposes issuing from reserve stock, and included therein is that of Arrack, the supply of which however he estimates at Rupees 3,71,492, being Rupees 60,000 in excess of his cash requirement for the same service. As however the supply is now to be drawn from the reserve stock, it can be struck out of the Budget as a cash requirement, but this will not affect the excessive quantity which it is proposed should be issued from the reserve stock.

8. I shall now proceed to notice the circumstances under which the supply of Arrack is obtained.

9. It is by contract, and for easy reference to its terms and conditions, the contract* is herewith forwarded. It will be observed that it commenced on the 26th July last and will terminate on the 30th June of the present year. Tenders for the supply were invited in the Fort Saint George Gazette of the 15th June 1860, (page 1348) which was too short a period, considering that the article was to be obtained from a Foreign market. Colonel McCally in his letter to my address of the 16th instant informs me that when the contract commenced, he had 2,49,215 Gallons in store, the contract provides for the supply of 3,96,000 Gallons, and assuming the annual consumption to be 2,28,000 Gallons, as given by Colonel McCally, there will remain on the 30th June 1861, when the contract expires, nearly two years' supply in store.

* *To be returned.*

10. The Commissary General gives the annual expenses attending the supply of this article at two lacs and twenty seven thousand Rupees, while he states the prime cost of the yearly consumption to be only Rupees 2,00,687, the particulars of these expenses are not given, but probably they are chiefly for carriage.

11. The Commissary General supplies annually 80,000 Gallons to the Collector of Madras on Indent. It is supplied at the rate of Rupees 1-8 a Gallon, and sold by the Collector to the Arrack Contractors at Rupees 3-7 per Gallon. The Commissariat provides for the service, but the money realized by the sale of the Arrack is paid into the Civil Treasury; in a mercantile point of view there is no objection to the arrangement, which would appear to have been in existence for the last 60 years, but it is quite unsuited to the present times, and it is altogether objectionable that any transaction of the kind should form portion of the Military Budget. I would suggest

therefore the discontinuance of the system and that hereafter the Collector himself be required to make provision for the supply.

12. I would further suggest that the supply of Ration Arrack by the Commissariat to individuals or Canteens be strictly limited to the quantity authorised by regulation, and that none but the Military classes be entitled thereto; it might be desirable to issue a General Order on this subject—explaining who those classes are and the quantity which each is entitled to, the rules on the subject have been published in General Orders, but they are apt to be lost sight of: Colonel McCally states that Pensioners are recipients of the Ration Arrack, but they are few in number, probably not more than 5 or 600, and it might be considered inexpedient to deprive them of the privilege,—for privilege it only is, as such classes have no pecuniary claim on the Government, beyond the amount of their Pensions.

13. As there will be nearly two years' stock in hand on the 30th June 1861, when the existing contract expires, the present may be considered a favorable opportunity for considering the whole question of the supply of this article: the existing expenses of the Establishments (Rupees 2,27,000) sufficiently attest the necessity for this: good Arrack can be obtained by means other than those now used, and I believe at a cost of one-third less to the State. A large portion of our European Troops are stationed at places nearer Bombay than Madras,* while the largest of all (Secunderabad) is brought within a short distance of the Bombay market by the Railway to Sholapore; the present system of landing the Arrack at Madras, breaking up the Casks pouring the spirit into Vats, making up new casks of the most expensive wood in India—(Trinconomallee wood:) filling them; re-shipping them; then re-landing them at Masulipatam, with a long and a very expensive land journey thence—over bad roads, would seem the most expensive mode that could be devised for the supply of the article.

* *Nagpore.*
Jaulnah.
Secunderabad.

14. I would venture to suggest therefore that tenders be now called for the year commencing 1st May 1862: that there be a direct delivery at the Stations where required, free of all cost to the Government for Carriage, &c., and that the article be of the best quality that can be procured, with the usual tests, and penalties.

15. I would further suggest that the connection between the "Abkaree" and the Commissariat be entirely severed, and that the Officers of the Department be confined to their proper duties of supplying the Army.

16. I believe that the suggestions which I have taken the liberty to offer for the consideration of Government on this point are perfectly feasible, although a little difficulty, and perhaps opposition may at first be experienced in carrying them out.

From the Military Auditor General and Controller of Military Finance, Fort Saint George, 30th January 1861, *No.* 87; *to the Secretary to Government, Military Department, Fort Saint George.*

With reference to my letter to your address, No. 32, of the 18th instant, on the subject of the supply of Arrack for the Army of this Presidency, I have the honor to forward herewith a copy of a letter* from the Military Finance Department to the Commissary General, intimating that the quantity of Rum in Stock in the Bengal Presidency is so large that the other Presidencies may be supplied therefrom, if necessary.

No. 3530 *of the* 18*th January* 1861.

2. From my letter to your address above adverted to, it will have been observed that on the 30th June, when the present contract expires, there will be nearly two years consumption of Arrack in store—and a supply of Rum, as proposed, will not therefore be necessary.

3. A copy of my letter to your address was forwarded to the Military Finance Department, with a view to their being informed of the quantity of Arrack in store in this Presidency.

From the Military Finance Department, Calcutta, 18*th January* 1861, *No.* 3530; *to the Commissary General, Madras.*

The Military Finance Commission having under consideration the contracts which have been entered into, for future supplies of Rum to this Presidency, and the stock on hand, observe that so large a quantity of this article is now on stock and accruing that it is deemed necessary to reduce the same, if possible, by extending supplies to other Presidencies.

2. The Commission are quite aware that you obtain supplies of Arrack at a lower rate than Rum could be supplied, but as they believe your contract for Arrack is near its termination, and that your stock are not large, it is worth your consideration whether instead of acquiring fresh supplies of Arrack whilst a very large quantity of other spirit is available here and which is seriously embarrassing the Commissariat Department, and consequently the Government, this could not be substituted for a time, for the Arrack; and thus relief given by working off the enormous surplus stock of Rum in this Presidency and the very large quantities which yet have to be received under the existing contracts; it being a measure of necessity to dispose of the great burden which these impose on the Bengal Commissariat.

3. Rum is obtained by the Government here at the standard rate of (1-4) Rupee one and Annas four per Imperial Gallon, at any river station—and it is supposed that at this rate, with the addition of Annas two to cover the expenses attending the river transit and sea freight that Bengal Rum would be available at Madras at (1-6) Rupee one and Annas six or less per Imperial Gallon—proof.

4. Should you approve of the suggestion, the Commission are of opinion, that it would not be advisable to transmit Rum from here at *proof strength* but that by sending it in a highly rectified state from about 33 to 35 per cent. overproof, an additional saving in transit and sea freight might be effected and it is not apprehended, that the loss which may be occasioned by evaporation during transit, would ever amount to a percentage worthy of consideration, as due care and attention would be given to have none but perfectly sound and sea-worthy Casks filled.

5. The contracts for this large supply of Rum were entered into at a time, when the price of the same was somewhat enhanced owing to the late mutiny, as well as from a probability of a large European Force being permanent in India; consequently there is little doubt that after the expiration of the existing contracts, future supplies of this article may be procured at a much more reduced rate.

6. The quality of the Rum is unexceptionable being prepared at an up-country station from Molasses only, and accordingly not liable to the same objection that might be raised against the Rum of Lower Bengal, and as all supplies must of a necessity be examined and received here, the quality would be uniform and the supply regular. In case of any objection on the ground of its colour, the Commission would remark that it is possible to send it down in the state in which it is prepared, quite white, and that if it should be considered desirable to receive it in that state, orders can be given to the manufacturer to deliver such a quantity as you may require without any addition of coloring matter whereby any existing objection entertained on this account would be removed.

7. In conclusion, the Commission would request the favor of your giving the subject of this communication your consideration and furnishing them with an early reply to the same.

ORDER, No. 427, *1st February* 1861.

1. Ordered that the Military Auditor General's letter of the 18th January be referred to the Commissary General for remark.

2. Para. 11 of the same letter suggesting the discontinuance of the system under which Arrack is supplied to the Collector of Madras by the Commissary General forming, it would appear, a portion of the Military Budget—will be referred to the Revenue Department for consideration.

(True Extract.)

Secretary to Government.

To the Military Auditor General, with 7 enclosures.
,, Commissary General.
,, Auditor of Commissariat Accounts.
,, Revenue Department. With 10 Spare Copies.

Exd. W. D'Arachy.

Copy in a Letter to Govt
dy 9th April 61 No 52.

Revenue 1861 Septr
Proc. of Govt for February.

No 347.

Proceedings of the Madras
Govt in the Military
Department —

Dated 1st February 1861
Rd 8th } No 42

Refer for consideration
a letter from the Mil.
Audr Genl suggesting
the discontinuance
of the system under
which arrack is sup-
plied to the Coll.r of
Madras by the Com-
missary Genl

From Bd of Rev. 4th March
No 600 — in pro 11th March No 59.

No 143 & 144.

No 330-11th Febuary.
Withdrawn Order —

No 330

Referred to the Board
of Revr for early report, with re-
ference to para 11 of the Milty Audr
Genls letter of 18th Janry 1861 No 32,
whether the Collr of Madras would
have any difficulty in obtaining his
own supply of arrack, without
the aid of the Commissariat
Deptt —

CJ

Pub Dept Geo
11 February 1861.

5 Copies to the Board of Revs
with pro MD No 427.

Copies 11
10 10