M.R.O. 14—10,000—21-4-22.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1428 Press ~~Mis.~~

1—2

Dated 1—7—1862.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 1st July 1862.

No. 1. Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 13th May 1862, No. 3,515 :—

Extract from the Proceedings of His Excellency the Governor General in Council, in the Military Department, No. 317, under date the 10th March 1862.

Extract of a letter from the Military Finance Department, to the Secretary to the Government of India, Military Department, No. 5,575*a*, dated Calcutta, 17th January 1862.

Paragraph 16. The point brought forward in paragraph 18 of the Superintendent's report, respecting the addition to the cost of Customs duty at 10 per cent. on the value of all new instruments, appears to us to require the attention of the Government. If this charge be added to the cost of supplies as a debit against them, it necessarily follows that a corresponding credit must be made to the Revenue under the head of Customs, which will not only be fictitious, as no duty is paid on such articles, but will also have the effect of apparently increasing the revenue of the State, and thereby cause confusion in squaring the transactions of the year, by making the Imperial revenues appear larger than they really are. The amount in this case of the fictitious charge and revenue would be but small, it is true, but still we look upon the principle as fallacious; for that is really only income or revenue which is actually realizable or tangible. The same principle applies to departments whose receipts from England are large; as for instance, the Ordnance Department and the Commissariat Department would cause it to appear that a considerable amount of revenue under the head of Customs duty accrues to the Government in each year, while on the other hand, the apparent expenditure of those departments would be so much the greater, although not actually so; and the amount of duty represented as levied would be only a paper charge. As this would tend to mislead, both in framing the Military estimates and in estimating the Imperial revenue, we would recommend that orders should be given, that as the stores, instruments, &c., belonging to any department, pay no duty, no charge for such should be reckoned in the accounts, or any corresponding amount credited to the State as revenue in the Customs Department.

17. We have already brought this point under the notice of Government in our report, No. 1,287*a*, to the Government of India, Financial Department, dated 18th November 1861, by whom it has been ruled, under date 26th November, that as no duty is actually paid on Military stores, none need be charged on such stores as may be issued to Troops; and it is only now needful to extend the provisions of the order to other Departments of the State.

Ordered, that the above be transmitted to the Financial Department, for consideration and orders.

No. 1,942, Financial Department, Fort William, the 22nd March 1862.

OFFICE MEMORANDUM.

With reference to Extract from the Proceedings of Government, in the Military Department, No. 317, dated the 10th instant, the undersigned has the honor to request that the Secretary in that Department will be good enough to oblige him with a copy of the "Superintendent's report" referred to in paragraph 16 of the letter from the Military Finance Department, No. 5,575*a*, dated the 17th January last.

No. 131, *Military Department, Fort William, the* 1*st April* 1862.

Forwarded to the Financial Department, with reference to Memorandum from that Department, No. 1,942, dated 22nd March last.

From Lieutenant-Colonel H. L. THUILLIER, Superintendent, Mathematical Instrument Department, to the Officiating Controller of Millitary Finance, No. 267, dated Calcutta, 17th August 1861.

5 Enclosures, and 2 photographs.

A. Statement of instruments and sundries manufactured, repaired, examined, cleaned, adjusted, purchased and packed.
B. Statement of the expenditure and outturn for the year 1860-61.
C. Annual Return of instruments for ditto.
D. Statement of instruments received from England during ditto.
E. Statement of serviceable tools and implements remaining in the Calcutta Mathematical Instrument Workshops.

1. I have the honor to report on the working of this Department, for the past official year 1860-61, or from 1st May 1860 to 30th April 1861, and to forward the several Tabular Statements as per margin, detailing the same.

2. Statement A exhibits the number of instruments taken in hand during the year under review; and a comparison between these results and those of the preceding year is as follows:—

Instruments.

	1859-60	1860-61	Difference.
Examined, cleaned and adjusted... ...	2164	988	— 1176
Manufactured...	187	576	+ 389
Purchased	937	222	— 645
Repaired	755	705	— 50
Packed...	3140	3218	— 192

Sundry articles or implements.

Examined, cleaned and adjusted... ...	7	2	— 5
Manufactured	432	464	+ 32
Purchased	101	116	+ 12
Repaired	1	5	+ 4
Packed	181	141	— 40

3. The favorable features apparent from the above comparison, is the greatly reduced number of instruments purchased in the Calcutta market during the past year, and the much greater number manufactured in the Workshops.

4. This absence for the necessity of a resort to the local market to purchase, has arisen not only from the full supplies of English instruments, which of late years have been liberally sent out on the Annual Indents of this Department, but also by the far greater number of instruments which have been manufactured in the Workshops of the Department.

5. The number of instruments requiring cleaning, examining, and adjusting, will be considerably less; the attention of the Artificers has, therefore, been more devoted to the construction of new instruments, mostly of the minor description, many of which are manufactured in this country better than the same instruments generally received from England, with a view to have always a sufficient supply on hand, to meet the requirements of the public service.

6. These are the two chief means which preclude the necessity of a resort to the local market, and whereby, in consequence, a considerable saving is effected to Government, viz., having always on hand a good supply of English instruments, and of those which can be successfully manufactured in the country; and as it should be the interest of this Department constantly to maintain a regular supply of the latter description of instruments, it ought to be that of the Home Authorities to observe that the stores of the Depôt be never entirely exhausted; otherwise great additional and unnecessary expense is entailed.

7. Of the repairs or alterations executed to various instruments during the year under review, that of one in particular is deserving of special notice, as having occupied a very large share of the Mathematical Instrument Maker's time. One of the large 24-inch theodolites or altitude and azimuth instruments made by Troughton and Simms several years ago, having failed to meet the demands of refinement prevailing in the operations of the Great Trigonometrical Survey of the present day has been entirely remodelled, and converted from a turned down axis to a turned up axis with relieving apparatus, after a design by Seid Mohsin, fully

discussed and approved of by the late Surveyor General and Superintendent, Great Trigonometrical Survey. It has likewise been changed from a 3 fixed radial arm to 5 flying micrometers with radial arms mounted on a drum; a guard outer circle to protect the horizontal divided limb, fixed on a gun metal tribrack; tangent clamps to work on its surface; improved double friction rollers on springs for the support of the vertical telescope and circle, have been added.

8. To give an adequate idea of this magnificent instrument as it now stands, photographs of the same are annexed;* and I believe, with all the improvements now added to it by the ingenuity of Seid Mohsin, which has cost him many months of anxious study and labor, it will be found to answer all the expectations formed by the late Surveyor General and the other Officers of the Great Trigonometrical Survey Department, who have taken part in the discussion, and watched its progress in this Workshop.

* Taken by Seid Ishmail, Assistant Mathematical Instrument Maker. Two copies in duplicate.

9. The instrument has been carefully proved and tried by competent observers, and having given the most favorable results, is now under despatch to Vizagapatam by steamer, for employment on coast series, under Captain Basevi, of Engineers. The manner in which this beautiful instrument has been turned out, reflects the highest credit on Seid Mohsin, the Mathematical Instrument Maker. By his superior knowledge of the requirements of the Trigonometrical operations, and his admirable skill as a Mechanic, this important duty of adapting the instruments up the highest point of refinement and most delicate construction, is well provided for, and the Trigonometrical Survey Department stands deeply indebted to Seid Mohsin for thus enabling it to perfect the triangulation of this great Empire, with an error even smaller than that of the Ordnance Survey of Great Britain. The Government never possessed a more indefatigable public servant, or one more useful in his own line, than the present Mathematical Instrument Maker.

10. Statement B, exhibiting the Dr. and Cr. account, has been drawn out in conformity with the instructions of the Military Finance Department, communicated by their No. 228, dated 5th April last, to the address of the Secretary to Government of India, Military Department, reporting on the Annual accounts of this Department for 1859-60. The entire expense of both the Workshops and the Depôt with the outturn of both are herein shown, and not, as before, deducting half of house-rent and of Office establishment on account of the Depôt.

11. The expenditure and the outturn are each set forth in detail, as they stand recorded in the Books of the Department; and on a comparison between them there appears a balance of 6,749 Rupees, 7 Annas 10¾ Pie, in favor of the Establishment; and after the deduction of certain sums not fairly chargeable against this Department in an account of this nature, this balance is increased to 11,130 Rupees 8 Annas 6¾ Pie, which, I trust, will be deemed highly satisfactory.

12. Referring to the 2nd paragraph of your letter, No. 5,711, dated 27th December 1858, and to the 5th paragraph of its accompaniment, No. 5,710, of the same date, to the Officiating Secretary to the Government of India, Military Department, bearing on the first source of profit as shown forth in Statement B, I beg to submit that the most equitable method of showing the actual value of the working of the Department appears to me to be, to contrast the entire expense of both the Depôt and the manufacturing branch with the entire outturn or profit of both, agreeably to the tenor of the Finance Department letter above referred to.

13. But if the sum of 10 per cent. charged as profit by the enhancement of the value of new instruments on their issue be not conceded, the remaining outturn will be entirely that of the manufacturing branch alone; and it does not appear to me to be reasonable that the expense of both branches should be contrasted with the outturn of only one. The Depôt has no source of profit whatever, but this enhancement by 10 per cent. on the original value of new instruments on their issue, which gives some return for the expense incurred in keeping them in a serviceable condition, which requires constant examination. The expense of house-rent and of office establishment are equally required for the Depôt as for the manufacturing branch. Hence, if this only source of profit for the Depôt be excluded, its expenses, viz., half of house-rent and of office establishment should likewise be excluded; or, if the latter must be

included in the general expense as directed by the instructions of the Military Finance Department, the former ought reasonably to be included in the profit; or, in short, either a reasonable percentage must be admitted for housing, cleaning, examining, and adjusting new instruments which have been lying by for some time, or the share of house-rent and office establishment should not be taken into account, and as the latter has been included by order of the Finance Department, therefore I may fairly claim the 10 per cent. enhancement as above alluded to.

14. The Examiner of Ordnance Accounts has, I consider, very properly advised that the old rates fixed from time to time by the late Military Board in the transaction of the business of this Department, should be set aside, and that an equitable uniform rate should be fixed and substituted in their stead. That Officer is of opinion, that for repairs in general, 10 per cent. of the value of each instrument for supervision, in addition to the actual cost of its repair, is a fair charge; and I fully concur with that Officer, and propose to adopt it in the preparation of the accounts for the present official year 1861-62, in substitution of ⅛ of the value of each instrument, which (although out of all proportion) was the rate fixed by the late Military Board, and according to which the accounts have been hitherto calculated.

15. The deductions on the debit side of Statement B are equivalent to crediting the Department with the same sums. The first and chief of these deductions is for new instruments purchased in contingent and extra contingent bills. The latter have been supplied on Indents duly countersigned by competent authority, and as such instruments were not on hand in the stores, they were consequently ordered to be purchased and charged for in separate or extra contingent bills, and as their cost cannot be considered a legitimate expense of the Department, the same is therefore deducted as heretofore.

16. The common Native instruments purchased or made up by contract and charged in the regular contingent bills, were supplied to Civil Officers, who paid for the same; and as this money was realized from them, it has been credited to the Department, and the sums regularly deducted from the same regular contingent bills. Though these transactions have been entered in the regular Monthly Reports, yet the vouchers of such parties for the instrument supplied to them existing in this Office, have not been transmitted since payment has been made, and the transactions thus closed as far as this Department is concerned.

17. The Examiner of Ordnance Accounts, in his Memorandum, No. 1,382, of the 24th June last, to my address, directs the discontinuance of the practice of supplying Civil Officers, even with ordinary country or bazar-made instruments on payment, without an authorized indent; and also that no money transactions are to be observed in this Department. This is an excellent regulation, and will be strictly acted up to in future. It will save this Office much trouble, and also protect Government interests much better.

18. The Examiner also in the same letter points out, that since Act X of 1860 came into force, Custom duty @ 10 per cent. should be added to the original or invoice price of all instruments, which I will make it a point to observe for the future; and it is on the addition of this 10 per cent. to the original cost of all instruments that a similar percentage will be charged to the credit of the Department on their issue, as before explained.

19. In the final part of the 3rd paragraph of the same Officer's No. 1,582, of the 1st July last, to my address, he directs that the actual cost of the repairs of all instruments should be noted on the receipts sent to each individual for signature. As this involves considerable extra labor in calculating the cost of repairs, and renders the return of the instruments sent for repair liable to detention, I have not yet been able to carry out this alteration. The speedy issue of these receipts is a matter of importance, and any detention of instruments after repair, is likely to be attended with danger to the public service. My Office establishment is already unequal to the demands made on it, and to meet the necessary punctuality of rendering the numerous returns to the Financial Department.

20. The other items deducted from the debit side of the Statement B, are freight or transit charges for receiving and despatching instruments. These expenses are not legitimately appertaining to the prosecution of the business of this Department, but are incurred on account of officials, to whom they are properly chargeable; they are consequently deducted to show the

actual necessary expense of the working of this Department, which is what alone I have to consider.

21. In the preparation of the annual Accounts for the current year, the issue of all instruments to indenting Officers and others will be charged in the monthly Reports at the prime cost, plus 10 per cent. on this cost; the prime cost being original or Europe price, plus 10 per cent. for Custom duty; but in the preparation of the Annual Accounts, only the 10 per cent. on the prime cost will be considered as profit to the Department; and this rule will hold good whether the instruments were originally received from the Arsenal or England, or are manufactured in the Department; 10 per cent. on their prime cost will be charged on their issue as profit to the Department.

22. The cost for the repair of old instruments, the value of which may be unknown, will be fixed by the Mathematical Instrument Maker, according to what he may consider a fair and reasonable trade price.

23. To meet the views and wishes of the Finance Department, I prepared and submitted to the Examiner of the Ordnance Branch, a new form of Monthly Report or Diary, which has been approved of, and adopted from the beginning of the present official year 1861-62. A new form of Statement C. or Annual Return of instruments in store, has been furnished to me, with a view to assimilate it, as much as possible, with similar Returns furnished by Magazine Officers, and to compress, as much as possible, the information to be rendered. This will be adopted for the current year, and I believe it will save much labor and delay in getting these bulky Annual Sattements out of hand.

24. I contemplate reducing its size still further, by holding a Committee of Survey on all old useless stores and instruments which cannot be turned to any account whatever. All such obsolete instruments and articles should be sold by public auction, as they only occupy space and entail useless clerical labor in being yearly brought upon the Books of the Department.

25. During the official year under report, consignments of instruments from England were received only by the ship *Annie Archbell*, and the same are detailed in Statement D. Additional stores have been received since the 1st May, and our stock of most instruments is now well cared for; the exceptions are contained in my Supplementary Report as per margin.

No. 187, dated 5th May 1861, to the President Military Finance Department.

26. In a Survey Report on instruments received, I again pointed out the necessity of being furnished, in due time, with intimation of the despatch of instruments from England for this Department; and I am happy to state that the Examiner of Ordnance Accounts, in his reply thereto, No. 636, dated 27th May last, was good enough to promise to furnish this Department, as soon as received, with extracts from all Packing Accounts containing instruments. I would add to my request, by desiring that their invoice prices with 10 per cent. added for Custom duty, according to the Act before referred to, be at the same time furnished, or entered upon the extract, and that their values be in all cases converted to Rupees, Annas and Pie from Pounds, Shillings, and Pence.

27. Statement E. details the number of implements and tools on hand in the Workshops of the Department. Their total is 3,438 English and 366 Country.

28. During the year, the subject of Civil and other Indents have been under the consideration of the Military Finance Department, and rules have been drawn up and published in the Gazette for the guidance of Indenting Officers, which will, it is hoped, prove advantageous.

Vide Notice, dated 4th July 1861, by Survey or General in *Gazette* No. 61, dated the 31st July 1861.

Survey (Revenue or Civil)	Boards of Revenue or heads of Dept.
Survey (Professional) Dept.	Head of the Depts.
P. W. Dept.	Chief Engrs. P. W. Department, or
Telegraph Dept.	Secys. to the several Govts. P. W. Depts.
Marine Dept.	Chief or Director Genl. of the Dept.
Officers of Qr. Mr. Genl.'s Dept.	Naval Secy. and Controller.
All other Civil Officers or Military,	Qr. Mr. Genl. of the Army.
Officers holding Civil employment,	Authority of the Govt. under which
Officers not connected with any Dept.	they are serving at the time.
	Govt. under which serving.

* No. 67, dated 28th February 1861.

29. The authorities, as per margin, have alone been declared competent to pass Indents by your Memorandum, No. 2,350, dated 6th current, and this will be strictly carried out in future.

30. In my recent special report cited in the margin,* addressed to the President, Finance Department, I entered very fully into the working of this Department; and with the details now given, I trust that the whole subject may be considered to have been fairly disposed of.

Financial Department, Fort William, the 13th May 1862.

RESOLUTION.

The Governor General in Council observes that it is altogether wrong either to swell Estimates by a nominal charge for Customs duty on Government stores, or under any circumstances to *sell* Government stores to individuals or to the public without adding the duty to cost price. He therefore directs that they should either be sold in Bond, or when this cannot conveniently be done, at a fair market price, from which the amount of Customs duty should be credited to Customs Revenue.

Ordered, that a copy of the above be sent to—

The Military Department.
,, Home ditto.
,, Foreign ditto.
,, Public Works ditto.
,, Military Finance ditto.
Government of Bengal.
Ditto North-Western Provinces.
Ditto Punjab.
Ditto Madras.
Ditto Bombay.
Chief Commissioner, Oude.
Ditto Central Provinces.
Ditto British Burmah.
Commissioner, Berar.
Auditor General of India.
Deputy Auditor and Accountant General, Bengal.
Ditto ditto North-Western Provinces.
Ditto ditto Punjab.
Ditto ditto Madras.
Ditto ditto Bombay.
Ditto ditto Hyderabad.
Ditto ditto Nagpore.
Accountant General, Government of India.

(A true Extract.)

(Signed) E. DRUMMOND,
Secretary to the Government of India.

No. 2. ORDER THEREON, 1st July 1862, No. 1,428.

Ordered to be communicated to the several Departments of the Secretariat and the Board of Revenue.

(Signed) P. P. HUTCHINS,
Acting Deputy Secretary to Government.

Revenue 1862 Dep.t
Pro: of Govt for July
No. 1629.

Extract from the Pro: of the Govt of India in the Jud. Dep.t

Dated 13th May 1862
Recd 9th June

No. 28. 1 July No. 3515.

From ... Transmitting Resolution of the Govt observing that it would together money either to small Estimates by a nominal charge for Customs duty on Govt Stores for under any circumstances to all Govt Stores to individuals or to the public without adding the duty to cost price, and directing that they should either be sold on Bond, or when this cannot conveniently be done, at certain Market prices, from which the Amount of Customs duty

Should be credited to Customs Revenue.

No. 142.

No. 1428.

Ordered to be communicated to the several Departments of the Secretariat and the Board of Revenue

Fort St. George
1st July 1862

A.B.

To 7 Copies
" the Military Dept. Cir. 22
" Public Dept.
" Public Works Dept.
" Financial Dept.
" Marine Dept.
" Board of Revenue
3 — " S. of Gov. Settlements
7 — " Sup. Rev. Survey
4 — " Conservator of Forests
1 — " Cooly. Accts with Reference to his Circ. of 23 July No. 39 — " 25