(1) Number of pages 4

(2) Date of repair

(3) Initials of the Referencer

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

REVENUE DEPARTMENT

G.O. No. / B.P. No.	1633	Press. / Mis.

Dated 20-3-1877 197 .

Not to be folded or roughly handled

Archives I—10,006—19-4-79.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

6th March 1877, No. 342.

Stationery and Stores.

Read the following paper:—

No. 79. *Proceedings of the Government of India in the Financial Department, dated Fort William, the 16th February 1877, No. 912.*

Read the following despatch from the Secretary of State for India, to the Government of India, dated 7th December 1876, No. 477.

In the Financial Despatch to the Government of India, dated the 27th December 1862, No. 218, instructions were given to the effect that all articles manufactured in this country should only be procured through the Store Department of this office.

2. Since that date payments for such stores have greatly increased, and the arrangements under which specified sums are now allotted to Provincial Governments to defray expenditure under certain heads give those Governments a direct interest in procuring stores chargeable to Provincial Services on the most reasonable terms.

3. For this and other reasons I recently decided to appoint a Committee to inquire into the functions and administration of a branch of the Store Department of this office, and I now forward extracts of a Report by that Committee, dated the 31st October 1876.

4. You will observe that the Committee, having regard to the importance of reducing, as far as possible, payments in this country, as well as of expediting the supply of stores for India, recommend that, in substitution for the present rule requiring orders for all stores to be given through this office, it should be left to your Government and to the Local Governments and Administrations (subject to any detailed orders of your Government, and within the limits of their several powers to incur expenditure), to decide as to the mode in which, and the persons from whom, supplies of any kind may be obtained, subject to the conditions that nothing except articles of Indian origin shall be purchased or ordered in India, unless it can be paid for on delivery after approval there, and that no advances shall be made to any agents or firm for any such service.

5. The Committee also point out that there are certain classes of stores which it is obvious cannot advantageously be procured in India, such as special machinery and appliances, including engineering, railway, and telegraph plant and materials which must necessarily continue to be obtained through the Store Department of this office.

6. I have approved of the suggestions of the Committee, and request that you will give the requisite instructions for carrying them into effect, and also that you will forward, for my information, copies of any orders or regulations you may issue on the subject.

ENCLOSURE No. 1.

73. Lastly, the Committee has been impressed with the importance of doing all that is possible to diminish the demands made by India for stores to be sent from England, and to stimulate the development of a local system of supply in India. The conditions under which the present system avows of requiring all articles that have to be purchased in England to be supplied through the Store Department of the India Office are to a considerable extent at least obsolete. The introduction of the principle of provincial responsibility for local expenditure, which is likely to be further extended rather than contracted, quite alters the aspect of the question, and justifies, if it does not require, a considerable relaxation of the present rule, irrespective of those general grounds of policy that suggest the propriety of encouraging the growth, both of truly local sources of supply, and of a system of local agency for supplies not of Indian origin, in substitution for the centralized agency of the Store Department of the India Office.

76. So far as relates to the obligation now imposed to give orders through the Home Department, the Committee is of opinion that, in substitution for the present rule, it might be laid down that the Government of India and the Local Governments and Administrations (subject to any detailed orders of the Government of India, and within the limits of their several powers to incur expenditure) may exercise their discretion as to the agency through which supplies of all sorts may be obtained, subject to the conditions that nothing except articles of Indian origin shall be purchased or ordered in India, unless it can be paid for on delivery after approval there, and that no advances shall be made to any agent or firm for any such service.

77. The Committee is satisfied from the experience acquired by the transactions of the Home Department, which have been very large, that wherever advances have to be made for the supply of stores to be procured in England, it will be essential that such stores shall be inspected and approved before shipment and before any payment is made. Without this precaution, the satisfactory quality of the supplies could not possibly be ensured; disputes should be endless, and the Government would in most cases be made to suffer any loss that arose.

78. It would, in the opinion of the Committee, be better to leave to the Government of India the task of limiting the discretion of the local authorities, should it be thought desirable to do so in any particulars, than to attempt to make rules on such matters here. At the same time it may be remarked that there are some obvious restrictions which naturally suggest themselves. Thus all special machinery or appliances, such as engineering, railway, or telegraph plant and materials, would almost necessarily continue to be obtained through the Store Department. Stocks of any description, such as the malt liquor or clothing materials for the European troops required on so large a scale as to be altogether beyond the resources of the local markets, would fall into a like category, as also a large part of the military supplies consequent on their special nature. Possibly some restrictions might be thought expedient in the supply of official stationery, to secure restful uniformity and durability in public documents. On the other hand there seems no reason why arrangements just as economical in fact, and much more convenient to all parties, might not be made for the supply of all books through Indian shopkeepers, under suitable agreements as to trade discount, these being articles as to the quality and cost price of which no dispute is possible. In like manner a considerable proportion of the miscellaneous stores might probably be got from local sources at reasonable prices, due care being taken to secure a satisfactory quality.

79. As to the extended resort to sources of indigenous origin for stores in substitution for articles obtained from England, all that the Committee can usefully do is to support the proposal that the Government of India should be strongly urged to give special attention to the subject. Any improvement in this direction must be the result of action taken in India, and it is only by the hearty co-operation of the departmental officers throughout the country that it can really be accomplished effectually. The Committee would only remark in relation to it that, though the extension of existing Government establishments, such as the Tannery at Cawnpore, might be suggested among other means of attaining the object in view, it is much more to be desired that

[illegible] should be encouraged and developed, and this [illegible] to such persons and from a fair amount of orders.

Ordered that a copy of the above be forwarded to the Military and Public Works Departments and to the several Local Governments and Administrations, with reference to their letter No. [illegible] dated [illegible], and requesting that they will report to any [illegible] restrictions which they may consider necessary to be imposed on the power now vested in the Local Governments and Administrations and subordinate local authorities of the India Office, within the limits, and subject to the conditions specified in the Despatch. The supplies of stationery, medical stores, books, &c., may be regarded as points requiring special consideration.

(Signed) H. H. HOLLINGBERY,
Asst. Secy. to the Govt. of India.

FINANCIAL DEPARTMENT, 6th March 1877, No. 842.

The Governor in Council resolves to appoint the Chief Engineer, the Consulting Engineer for Railways, and the Inspector General of Ordnance and Magazines, with two Members of the Chamber of Commerce whom the Chamber will be requested to nominate as a Committee to report on the subject referred by the Government of India for an early expression of opinion.

2. They are authorized to call on all departments for information necessary for this purpose.

Chief Secretary.

To all Departments of the Secretariat.
To the Chief Engineer.
" Consulting Engineer for Railways.
" Inspector General of Ordnance and Magazines.
" Chamber of Commerce.
" Revenue Department.
" Public Works Department.
" Military Department.
To all Indenting Officers.

Encl. A. Cruikshank.