

(1) Number of pages 12(2) Date of repair 30.8.38(3) Initials of the Referencer Q**MADRAS RECORD OFFICE.****Government of Madras.***Revenue* **DEPARTMENT.**

G.O. No.	2187	Press- Mis.
Dated	15-4-1887.	

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30/8/38

GOVERNMENT OF MADRAS.
FINANCIAL DEPARTMENT.

READ—the following papers:—

From J. WESTLAND, Esq., Officiating Secretary to the Government of India, Department of Finance and Commerce, to the Chief Secretary to the Government of Madras, dated Calcutta, 11th December 1886, No. 4604.

I am directed to refer you to the correspondence ending with letter from this office No. 3837, dated the 13th October 1884, relative to the claim of the Government of Madras to the value of the alkaloids manufactured from the Cinchona bark which it sent to England.

2. The facts of the case are as follow:—

From 1872 to 1881 the Government of Madras sent bales of bark to the Secretary of State, which the latter sold in London, the proceeds being credited in the London accounts.

About the year 1881 the Secretary of State commenced to manufacture quinine and other products out of the bark, but in 1883, on finding that the manufactured article could not be disposed of, he intimated his intention of reverting to the system of selling the bark in London.

Acting under the impression that the operations affected the question of Imperial and Provincial contracts, he informed the Government of India that he would in future pass the receipts and payments through his remittance account, and in the meantime, though he could not alter the accounts of 1882-83, he intimated that there were debits of £10,034 for manufacturing charges, and credits of £1,424 for sale-proceeds in the accounts of that year "for which the Government might make any adjustments they might deem necessary." The Government of India thereupon assuming that the transactions had been carried on at the instance of Provincial services, directed the credits and debits to be passed on to Madras. The Government of Madras in its despatch to Her Majesty's Secretary of State, No. 10 (Finance), dated the 26th July 1884, expressed an opinion that as it was debited with the charges, it should get credit for the value of the articles manufactured—an opinion in which the Government of India concurred.

3. After a careful reconsideration of the matter, the Governor-General in Council has come to the conclusion that the transactions cannot be regarded as within the limits of the Provincial contract, and that an error was made in passing any credit or debit to Madras in 1883.

The principle on which these matters have to be settled has been repeatedly declared, and is as follows:—

An examination is made of the way in which the accounts were kept at the time the Provincial contract was made, and it is ascertained whether the receipt or payment under discussion at that time fell under the heads which were declared to be Provincial.

The receipts and payments in England on account of the barks sent there from Madras were up to 1882-83 always shown on the Home accounts. The Cinchona department itself was Imperial in Madras up to the 31st March 1882, and there was

never any occasion to deal in an exceptional manner with these receipts and payments. The contract of 1852 did not in any way take them into account, and the proceedings of that year took them as they stood, viz., as Imperial receipts and payments, and did not in any way assign them to Provincial. The Government of Madras had no claim to receive, as part of its assigned revenues, the proceeds of sale of its bark in the London market, and when the Secretary of State intimated in 1883 that he would in future credit them to the Government of Madras, the other revenues made over to the Provincial Government should have been reduced by reason of the new addition made to them.

4. The Governor-General in Council considers it inexpedient that the addition involved in the orders under consideration with the counterbalancing adjustment should be made to the terms of the contracts now coming to a close, and has therefore decided that the orders directing that the receipts and charges connected with the manufacture of the alkaloids shall be so adjusted as not to affect Provincial revenues and disbursements. It is necessary, therefore, to write back the transactions which have been shown as Provincial in the accounts under the orders now cancelled.

The net debit to Provincial revenues amounted to Rs. 86,103, which sum will now be retransferred to the Provincial revenues through the land-revenue head.

Copy forwarded to the Comptroller and Auditor-General, and the Accountant-General, Madras, for information.

MEMORANDUM showing Details of Inter-Provincial adjustments from 1882-83 to 1887-88.

Charges incurred by Madras on behalf of other Governments.									
	India.	Central Provinces.	British Burmah.	Bengal.	Bombay.	North-west Provinces.	Punjab.	Total.	Net.
Actuals.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
1882-83 ..	3,407	1,721	12,520	..	..	..	..	17,648	— 639
1883-84 ..	2,886	4,448	2,011	3,542	2,696	2,909	1,755	20,247	6,180
1884-85 ..	1,896	1,607	6,108	1,128	5,248	666	..	16,653	5,493
1885-86 ..	2,930	725	9,193	1,877	5,245	1,681	..	21,151	— 13,574
Estimates.									
1886-87 ..	3,000	1,000	8,000	1,000	5,000	1,000	..	19,000	— 4,000
1887-88 ..	3,000	2,000	6,000	2,000	5,000	2,000	..	20,000	3,000

Charges incurred by other Governments on behalf of Madras.									
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	
Actuals.									
1882-83 ..	349	500	..	* 16,970	468	..	..	18,287	
1883-84 ..	533	..	1,814	3,096	2,940	747	4,937	14,067	
1884-85 ..	3,189	1,059	1,316	3,395	1,432	769	..	11,160	
1885-86 ..	4,763	961	1,264	* 22,466	3,103	2,168	..	34,725	
Estimates.									
1886-87 ..	5,000	1,000	3,000	8,000	4,000	2,000	..	23,000	
1887-88 ..	4,000	1,000	2,000	5,000	4,000	1,000	..	17,000	

* The large figure in 1885-86 includes Rs. 16,000 in connection with adjustments in the Bengal accounts on account of expenses incurred in England for Cinchona bark, while that in 1882-83 relates chiefly to the pay and allowances (Rs. 11,000) of officers of the Madras Presidency engaged on the Education Commission in Calcutta.

FORT ST. GEORGE,
24th January 1887.

(Signed) H. F. CLOGSTOUN,
Accountant-General.

No. 179.

To the Chief Secretary to Government, Financial Department, with reference to his official memorandum No. 7-C, dated 6th January 1887.

From H. F. CLOGSTOUN, Esq., Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 5th March 1887, No. 628.

With reference to your official memorandum, dated the 31st January 1887, I have the honor to forward a statement giving full details of all the debits and credits in connection with Cinchona, and another showing all items of Inter-provincial adjustments from 1882-83 to 1885-86.

2. As regards one of the items connected with Cinchona, the Government observe that it is not understood how the sum of Rs. 86,103 has been arrived at as the sum to be written back in respect of the Home receipts and payments on account of Cinchona in 1882-83, the net amount of which was taken at Rs. 1,03,324 for adjustment against Provincial in 1883-84. I beg, therefore, to state that the former sum is the equivalent of the net Home payments, viz., £8,610-6-7, at 2 shillings the rupee, while the latter is the equivalent at 1s. 8d. the rupee. The latter sum was adjusted in 1883-84 under the directions of the Comptroller-General, who was requested in the Government of India Finance and Commerce order No. 12, of 5th January 1884, to issue the necessary instructions for the adjustment, and the former sum was adopted for the reversal adjustment in 1885-86 because it was specifically mentioned in the Government of India Finance and Commerce letter No. 4604, dated 11th December 1886. It is therefore open to this Government to address the Government of India on this discrepancy as well as on the other adjustments against Provincial on account of Cinchona noted in the accompanying statement. No instructions have yet been received in this office regarding the reversal of these adjustments and of the receipts on account of the sale of the bark in this country which have all appeared under Provincial.

3. With reference to the question raised in the last paragraph of the present reference, I beg to state that the salaries and travelling allowances of officers deputed to serve on the Education Commission were, under instructions from the Comptroller-General, Calcutta, debited to the head to which their salaries were debited, their deputation allowances as well as the travelling expenses and allowances of non-official witnesses being charged to "Special Commissions of Inquiry" subordinate to 32, "Miscellaneous." As both these heads are Provincial, the charges had to be defrayed by the Provincial Government in accordance with the rules reaffirmed in the resolution of the Government of India No. 4150, dated 5th October 1882.

ENCLOSURES.

CHARGES incurred by other Provinces on behalf of Madras.

Nature of charge.	Amount adjusted.
India.	
1882-83.	
Pay of Rev. Gittens, Chaplain of Vizagapatam, from 1st to 18th May 1882, at Rs. 500 per mensem	290 5 1
Pay of Medical pupil P. T. Bhaskersingh from 20th October 1881 to 30th June 1882, at Rs. 7 per mensem	58 11 4
Total	349 0 5
1883-84.	
Fare for one G.I.P. Railway saloon and one reserved compartment from Raichoor to Madras on the 29th November 1883 furnished to the Hon. General Wilson. This is a set-off against Rs. 1,525-8-8 credited to Madras in 1882-83	289 9 6
Mileage and demurrage charge allowance on account of saloon carriage furnished to Major the Hon. E. Baring on 23rd and 30th November, and on 4th and 7th December 1882. This is a set-off against Rs. 162-0-2 credited to Madras in 1882-83	112 8 0
Pensions	130 14 0
Total	532 15 6

Charges incurred by other Provinces on behalf of Madras—continued.

Nature of charge.	Amount adjusted.		
India—continued.			
1884-85.	RS.	A.	P.
One-third pay of Mr. Marsden for July and August 1884	366	10	8
Pay of establishment of Inspector of Schools, Seventh Division, for July and August 1884	128	0	0
Contingent charges of do. for September 1884	50	0	0
One-third pay of Mr. Marsden, Inspector of Schools, Seventh Division, from September 1884 to March 1885	1,100	0	0
Pay of establishment for do	384	0	0
Contingencies for October 1884, February and March 1885	308	2	0
Travelling allowance of Mr. Marsden for January 1885	294	5	4
Pensions	558	3	11
Total	3,189	5	11

1885-86.

One-third salary of Mr. Marsden, Inspector of Schools, Seventh Division, from March to November 1885	1,798	12	0
Pay of establishment of Inspector of Schools for do.	570	8	8
Contingencies	134	1	2
Travelling allowance	23	4	2
Pensions	2,236	8	3
Total	4,763	2	3

Central Provinces.

1882-83.	RS.	A.	P.
Pensions	500	0	0
1883-84—Nil.			
1884-85.	RS.	A.	P.
Pensions	1,059	4	3
1885-86.	RS.	A.	P.
Pensions	961	4	10

British Burmah.

1882-83—Nil.

1883-84

Pay of Mr. J. M. Maskell, Registrar of Madras Court of Small Causes, for November 1883	500	0	0
Pensions	1,314	2	6
Total	1,814	2	6

1884-85.

Pensions	1,315	14	3
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1885-86.

Pensions	1,264	2	0
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Bengal.

1882-83.

Pay of Mr. Fowler for February, November 1882, January and February 1883	6,708	14	10
Pay of Mr. Rice, Director of Public Instruction, Mysore, for February 1882	900	0	0
Travelling allowance of Mr. Rice, Director of Public Instruction, Mysore, for February 1882	132	5	0
Pay of Mr. Runganatha Mudaliar for February, November, December 1882, January and February 1883	2,700	0	0
Travelling allowance of Mr. Runganatha Mudaliar	315	6	0

Charges incurred by other Provinces on behalf of Madras—continued.

Nature of charge.	Amount adjusted.		
Bengal—continued.			
1882-83.	RS.	A.	P.
Railway fare and subsistence allowance of released convicts from Port Blair	596	8	0
Salary of the Hon. Mr. H. S. Thomas from 1st to 28th November 1882, at Rs. 3,408-5-4 per mensem, and deputation allowance for the same period at 10 rupees per day	3,322	10	8
Privilege leave allowance of Mr. W. H. Welsh, M.C.S., for December 1882 and January 1883	1,546	0	0
Pay of Mr. G. S. Forbes, at Rs. 1,050 per mensem, from 1st to 22nd January 1883	715	5	9
Pensions	32	13	6
Total	16,969	15	9

1883-84.

Pay of the Hon. Mr. Thomas, 2nd Member, Board of Revenue, Madras	2,943	15	11
Passage and diet of released convicts	131	14	6
Pensions	19	14	8
Total	3,095	13	1

1884-85.

Pay of the Hon. Mr. H. S. Thomas, 2nd Member, Board of Revenue, Madras	327	3	3
Salary of Mr. C. F. MacCartie, Principal Assistant Collector, Vizagapatam	491	12	5
Salary of Mr. W. Green, 2nd-Grade Inspector of Salt Revenue, from September to November 1884	1,050	0	0
Diet and railway fare of convicts	1,493	5	0
Pensions	32	5	10
Total	3,394	10	6

1885-86.

First instalment of the grant sanctioned by the Madras Government in aid of the English translation of the Mahabharata	500	0	0
Freight charges of 57 bales of Cinchona febrifuge shipped to England per S.S. <i>Ravenna</i>	2,653	11	1
Payments in England connected with the cultivation of Cinchona (<i>vide</i> this office No. I.B.B.—111, dated 19th October 1885)	13,613	3	5
Salary of the Hon. Mr. A. Goodrich from 1st to 19th November 1885	1,540	4	3
Passage and diet money of released prisoners	3,922	6	0
Pensions	235	14	8
Total	22,465	7	5

Bombay.

1882-83.

Travelling allowance of Mr. King	357	8	11
Railway fare of Madras policemen on escort duty	110	11	0
Total	468	3	11

Charges incurred by other Provinces on behalf of Madras—continued.

Nature of charge.	Amount adjusted.
<i>Bombay—continued.</i>	
1883-84.	
Mr. H. P. Gordon's pay and subsidiary leave allowance from 1st to 16th July	Rs. A. P.
Subsidiary leave allowance due to Mr. A. Cox, M.C.S.	1,188 6 3
Railway fare of Madras policemen on escort duty	24 1 0
Pay and leave allowances of Mr. P. W. Moore, Acting Special Assistant Collector, Ganjam, from 23rd October to 2nd November 1882 ..	95 7 0
Pensions	673 8 3
	958 5 4
Total	2,939 11 10

1884-85.	
Leave allowance of Mr. E. J. S. White, District Munsif, Vayitri, for December 1883, January and February 1884	228 12 11
Railway fare of Madras policemen on escort duty	347 3 0
Grant sanctioned by the Government of Madras to Mr. Behramji in aid of the scheme in connection with the translation of Professor Max Müller's Hibbert Lectures on Religion	500 0 0
Pensions	356 8 9
Total	1,432 8 8

1885-86.	
Deportation charges of Madras vagrants	457 8 3
Railway fare of Madras policemen on escort duty	443 4 0
Table money for accommodating the Hon. Mr. H. E. Sullivan, Member of Council, Mr. J. H. Taylor, Master Attendant, Mr. H. R. Grimes, Inspector-General of Jails, and Mr. G. W. Dance, Assistant Collector, Malabar	104 0 0
Charges of special train engaged by His Excellency the Governor of Madras from Dadur to Ahmedabad in October 1885	1,415 9 3
Pensions	682 3 0
Total	3,102 8 6

North-West Provinces.

1883-84.	
Pensions	746 10 8
1884-85.	
Amount paid to the Agents, Lister and Co., Dehra-Dun, being the value of silkworm eggs	126 14 0
Pensions	641 10 8
Total	768 8 8

1885-86.	
Pensions	2,168 2 10

Punjab.

1883-84.	
Pay and allowance of Mr. H. St. A. Goodrich for March and April 1883	4,937 8 0

CHARGES incurred by Madras on behalf of other Provinces.

Nature of charge.	Amount adjusted.
<i>India.</i>	
1882-83.	RS. A. P.
Pay of Mr. Kinsington of the Inland Customs	154 13 5
Allowance of Major H. M. S. Magrath from 1st to 7th March 1882, at Rs. 800 per mensem	180 10 4
Pay of Rev. C. H. Pelly from 1st to 27th August 1882, at Rs. 500 per mensem	435 7 9
Salary of Mr. Hammick from 1st to 16th June 1882	376 0 0
Double saloon and 3rd-class compartments furnished by the Madras Railway Company to Major the Hon. E. Baring and to the Hon. General Wilson	1,525 8 8*
Passage money of the Hon. Mr. H. S. Thomas	185 0 0
Pay of Mr. J. S. Gamble, Conservator of Forests, Bengal	387 1 7
Charges on account of demurrage and mileraage for the saloon carriage furnished for the accommodation of Major the Hon. E. Baring ..	162 0 2†
Total	3,406 9 11

1883-84.	
Salary, &c., of Mr. E. D. M. Hooper, Deputy Conservator, Chanda division	745 0 0
Salary of the Hon. Mr. H. S. Thomas from 1st to 14th March 1883 ..	1,806 7 2
Railway fare on account of Major the Hon. E. Baring	223 9 6
Pensions	111 0 9
Total	2,886 1 5

1884-85.	
Salary of the Hon. Mr. H. S. Thomas, Additional Member of the Council of the Governor-General for making Laws and Regulations ..	1,806 7 2
Pensions	89 5 6
Total	1,895 12 8

1885-86.	
Salary of the Hon. Mr. H. St. A. Goodrich, Additional Member of the Governor-General's Council, from 1st to 13th March 1885, at Rs. 3,116-10-8 per mensem	1,254 11 5
Pensions	1,675 10 8
Total	2,930 6 1

Central Provinces.

1882-83.	
Pay of Mr. A. Armstrong for July and August 1882, at Rs. 400 per mensem	800 0 0
Refund of stamp duty to Commissariat contractors	921 8 0
Total	1,721 8 0

1883-84.	
Leave allowance of Surgeon Thipthorpe, Bilaspur, from January to April 1883	1,173 6 0
Leave allowance of Surgeon-Major D. M. Trimmell, Civil Surgeon, Raipur, for April and May 1883	2,216 4 0
A reward of one month's pay to the Ganjam police for good services rendered by them on the Khond rising in Kalahandi	1,058 0 0
Total	4,447 10 0

* Of this, Rs. 289-9-6 written back in 1883-84.

† Of this, Rs. 112-8-0 written back in 1883-84.

Charges incurred by Madras on behalf of other Provinces—continued.

Nature of charge.	Amount adjusted.
<i>Central Provinces—continued.</i>	
1884-85.	RS. A. P.
Leave, &c., allowance of Surgeon H. Armstrong, Civil Surgeon, Ho- shingabad, from 23rd July to 22nd October 1884, at Rs. 250 per mensem	769 5 7
Reward to Vizagapatam police for good services rendered by them in the disturbance at Kalahandi	562 0 0
Pensions	275 12 9
Total	1,607 2 4
1885-86.	
Pensions	725 1 1
<i>British Burmah.</i>	
1882-83.	
The share payable by the Government of India on account of privilege leave allowance of Mr. J. D. Sandford from 1st April to 30th June 1880	1,803 10 3
Refund of stamp duty to Commissariat contractors	2,666 0 0
Privilege leave allowance of Major M. C. Poole, Acting Deputy Com- missioner, 3rd-Grade, British Burmah, from March to May 1882 ..	3,800 0 0
Pay of Mr. Herdem, Director of Public Instruction, British Burmah, from August to October 1882	3,750 0 0
Pay of Mr. G. E. Godbier, Extra Assistant Commissioner, British Burmah, for September 1882	500 0 0
Total	12,519 10 3
1883-84.	
Pensions	2,011 10 5
1884-85.	
Scholarship and book allowance of six British Burmah students attached to Native infirmary, at Rs. 40 each per mensem, from January to December 1884	2,880 0 0
Absentee allowance of Mr. W. F. Nayee Myroke, British Burmah, for September 1884	150 0 0
Salary of Mr. J. Adamson, Deputy Conservator of Forests, from 17th June to 2nd July 1884, at Rs. 800 per mensem	424 15 2
Pensions	2,652 7 11
Total	6,107 7 1
1885-86.	
Scholarship and book allowance of British Burmah students as above.	2,000 0 0
Absentee allowance of Mr. A. R. Hayes, Mathematical Teacher, Ran- goon College, from April to September 1885, at Rs. 150	900 0 0
Absentee allowance of Mr. F. L. Seaton, Inspector of Supplementary Survey and Registration, Hanthanoddy, for May, June and July, at Rs. 300 per mensem	900 0 0
Stipends drawn for certain Burmese students to November 1885 ..	1,061 5 4
Subsistence and passage money of four Burmese boatmen cast ashore between Itamakula and Kothapatam in December 1884	114 0 0
Pensions	4,217 5 7
Total	9,192 10 11

Charges incurred by Madras on behalf of other Provinces—continued.

Nature of charge.	Amount adjusted.
<i>Bengal.</i>	
1882-83—Nil.	
1883-84.	RS. A. P.
Scholarship of lady students of Bengal studying in the Madras Medical College from October 1882 to June 1883	405 0 0
Cost of 6 copies of Dalyell's edition of 5th Report of the Select Committee on the affairs of the E. I. Company supplied to the Government of Bengal	131 0 0
Privilege leave allowance of Surgeon-Major S. M. Shirooxe, Moorshe- dabad, for August and September 1883	2,186 0 0
Scholarship of two lady students of Bengal	270 0 0
Pensions	550 0 0
Total	3,542 0 0
1884-85.	
Scholarship of two lady students of Bengal from January to September 1884	360 0 0
Pensions	768 6 2
Total	1,128 6 2
1885-86.	
Scholarship of two lady students of Bengal from January to December 1885, at Rs. 20 each per mensem	480 0 0
Pensions	896 10 11
Total	1,376 10 11
<i>Bombay.</i>	
1882-83—Nil.	
1883-84.	
Privilege leave allowance of Major S. M. Madden, Cantonment Magis- trate, Ahmedabad, for November 1883	759 3 0
Pensions	1,936 13 0
Total	2,696 0 0
1884-85.	
Pay and leave allowance of Mr. R. A. Lamb, of the Bombay Civil Service, Assistant Collector and Magistrate, Khandish	981 8 1
Pensions	4,266 10 9
Total	5,248 2 10
1885-86.	
Pensions	5,244 10 8
<i>N. W. Provinces.</i>	
1882-83—Nil.	

Charges incurred by Madras on behalf of other Provinces—Continued.

Nature of charge.		Amount adjusted.		
N. W. Provinces.—continued.				
1883-84.		RS.	A.	P.
Pay of Mr. S. G. Naber, Extra Assistant Commissioner, 5th-Grade, Hardoi, from April to June 1883, at Rs. 600 per mensem		1,800	0	0
Amount realised in the Shahjahanpur Treasury as duty on rose spirits exported to the Government of Madras during the quarter ending 30th June 1883		13	4	0
Privilege leave allowance of Surgeon-Major E. Binaria, Civil Surgeon, for November 1883		1,095	10	0
Total		2,908	14	0
1884-85.		666	4	0
Pensions				
1885-86.				
Amount realised in the Shahjahanpur Treasury as duty on rose spirits and liquor		8	2	0
Pensions		1,572	14	6
Total		1,681	0	6
Punjab.				
1883-84.		RS.	A.	P.
Pay of Mr. J. B. Lyall, Financial Commissioner, Punjab, Rs. 3,333-5-4 per mensem—				
From 1st to 17th May 1883		1,827	15	4
4 per cent.		73	1	11
		1,754	13	5

CINCHONA Special Adjustments.

Description of items and of the manner in which they were adjusted.	Receipts.	Charges.	When adjusted.
<i>Land Revenue Percentage.</i>	RS. A. P.	RS. A. P.	
Payments during 1882-83 on account of Cinchona bark and manufacture of quinine, &c. .. .	10,034	12	11
Deduct sale-proceeds of sulphate of cinchonidine, &c.	1,424	6	4
Net amount, at 1s. 8d. per rupee, as per Government of India Financial No. 12, dated 5th April 1884	8,610	6	7
Reversal of the above adjustment under Government of India Financial No. 4604, dated 11th December 1886	86,103	0	0
<i>Inter-Provincial Adjustments.</i>			
Freight charges of 59 bales of Cinchona febrifuge per S.S. <i>Ravenna</i> as per G.O., Revenue, No. 705, dated 4th June 1884, £217-17-3, at 1s. 7½d.		2,681	6 2
Cost of 1 lb. of Cinchona febrifuge supplied for the use of the Government of the Straits Settlement presumably out of the balance of 7,576 lb. and 8 oz. shown in the statement attached to G.O., Revenue, No. 469, dated 5th April 1884, £2-5-0, at 1s. 7½d.	27	11	1
Payments in England in connection with the cultivation of Cinchona, £2,704-14-3, at 1s. 7½d.		32,867	6 3
Receipts in England in connection with the cultivation of Cinchona, £1,584-9-2, at 1s. 7½d.	19,254	2	10
A portion of general charges incurred by the Secretary of State for India on account of Cinchona bark sent out from India, £59-13-5, at 1s. 7½d.		725	1 10
Charges debited to "26. Scientific and other Minor Departments, Cinchona Plantations."			(to be adjusted hereafter.)
Cost of advertising in England the sale of Cinchona bark at Madras debited in the India office account for March 1886, £92-3-10, at 1s. 7½d. the rupee		1,149	6 5
Total	1,05,384	13	11
Net		35,362	5 11

ORDER—dated 22nd March 1887, No. 387, Financial.

In the foregoing letter from the Government of India, No. 4604, dated 11th December 1886, it is intimated that the Cinchona transactions in England cannot be regarded as within the limits of the Provincial contract of 1882, which did not provide for them, the proceedings of that year taking them as they stood, viz., as Imperial receipts and payments. The Government of India accordingly direct the reversal of the adjustments made under a misapprehension in 1883-84. But credit is given to Provincial services for only Rs. 86,103 against a debit of Rs. 1,03,324, the rate of exchange being now erroneously taken at 2s. the rupee instead of 1s. 8d. as in the case of the original adjustment. The reversal should clearly be made at the same rate as the original debit. There have also been other Cinchona adjustments, as shown in the Accountant-General's statement, which should be placed to the credit of Provincial services in accordance with the decision of the Government of India now communicated. The net amount to be so credited is Rs. 35,362-5-11. The amount should be adjusted in the Provincial accounts of 1886-87.

2. The Accountant-General will in future obtain the approval of the Local Government in the Financial Department before admitting, against Provincial, any special charges of this kind advised by the Comptroller-General or by other Governments.

3. It is observed from the detailed statement of inter-provincial adjustments appended to the Accountant-General's letter read above that the sum of Rs. 10,756-9-10 paid by the Bengal Government in 1882-83 on account of the Education Commission includes Rs. 1,032-5-0 disbursed to the Director of Public Instruction, Mysore. This sum cannot be accepted as a Provincial charge against Madras. His Excellency the Governor in Council is, moreover, of opinion that the balance of the amount, representing pay and allowances of Madras officers, should also be borne by Imperial funds, the duty being of an Imperial character, and this Government not having been consulted as to the issue of the Commission.

4. The Accountant-General is requested to furnish, for the information of Government, as soon as the accounts of each year are finally closed, a statement of inter-provincial adjustments in the detail now given.

5. Ordered that the following letter be sent to the Government of India.

(True Extract.)

Aq. Chief Secretary.

To the Revenue Department.
" Accountant-General.

Exd. P. L. Pereira.

Revenue Dept.

2726

Govt. of 1887 Madras.

FINANCIAL



Issued

Recd. 4 apr. 1887.

Encl.

G.O., 22nd March 1887, No. 387.

MARCH.

Provincial Services.

Passing orders regarding the adjustment in favor of — of certain sums on account of cinchona transactions in England.

P. T. C.

G. C. 16: 2187 8. 15. 1887

Cond to the Govt Botanist
the Director of Forests
Plantations

15/4

To the Govt Botanist 21/4.