1897

Revenue (~~1897~~) Department.

PRESS SERIES.

G.O., No. 1073–1073-A

DATED 18th December 1897

[Despatch Abstract.]

Resolving to increase the price of quinine on account of the rise in the price of Cinchona bark and ordering the publication of a notification to that effect in the Fort St. George and District Gazettes.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

30TH MARCH 1892, No. 311, REVENUE.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—again the following G.O., dated 19th December 1891, Mis. No. 6499, Rev. :—

Read—the following letter from J. W. P. MUIR-MACKENZIE, Esq., C.S., Under Secretary to the Government of India, Revenue and Agricultural Department (Agriculture), to the Secretary to the Government of Madras, dated Calcutta, the 3rd December 1891, No. 2486-128 :—

I am directed to acknowledge the receipt of your endorsement No. 851-A, Revenue, dated the 9th September last, submitting the annual report on the Government Cinchona Plantations, Nilgiris, for the year 1890-91, together with the orders of the Government of Madras thereon.

2. It is noticed that the quantity of bark in stock at the close of the year amounted to as much as 510,695 lb., and that the Director of the Plantations hopes to utilize the whole of this enormous stock for the manufacture of quinine during the next few years. The Government of India trust that these anticipations may be realized. It has not been altogether satisfactory that manufacture has failed to keep pace with the increased demand, and the Government of India are glad to observe that the Government of Madras are calling for a special report regarding the alleged inadequacy of the machinery received from England.

3. I am also to point out that one reason for the difficulty experienced in the sale of the quinine powders is likely to have been their high price, which at the rate of 3 pies each amounted to over Rs. 21 per lb. and gave a profit of 50 per cent. on the cost of production. The Government of India are unable to believe that reluctance exists anywhere in India to take quinine. There is a well-founded repugnance no doubt to the cinchona febrifuge on account of its nauseating properties, but no such objection is found to the use of quinine with the effects and potency of which the people are generally familiar. I am to suggest, therefore, that with a view to render the retail distribution of quinine successful, the price should be considerably reduced. In order to avoid loss, the powder might be issued in bulk to dispensaries, the establishments of which might be employed in weighing and packing the powders in old paper, by which means the expense of these operations would be practically abolished. I am also to point out that the simultaneous issue of quinine and purgative powders may possibly result in the mistaken use of one for the other.

Order—dated 19th December 1891, Mis. No. 6499, Revenue.

Referred to the Government Botanist and Director of Cinchona Plantations for early remarks.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Government Botanist, &c.

READ—again the following G.O., dated 21st January 1892, Mis. No. 399, Revenue:—

Read—the following letter from M. A. LAWSON, Esq., Government Botanist and Director of Government Cinchona Plantations, &c., Nilgiris, to the Secretary to Government, Revenue Department, dated Ootacamund, 13th January 1892, No. 1:—

With reference to the letter from the Government of India, No. 2486—128, dated the 3rd December 1891, referred to me for early remarks, under G.O., No. 6499 of 19th December 1891, Revenue, I have the honour to observe as follows:—

1. The large amount of bark in stock consists chiefly of red bark, which, when compared with our crown bark, is poor in quinine: so that to obtain a large amount of quinine, it will be necessary to use a much larger quantity than would be if it were crown bark; in other words, the amount of bark in stock will not go so far as the number of pounds given in the report might lead Government to suppose. Of the crown bark remaining, there is ground up a sufficient quantity to last till the end of July next, and of unground bark, enough to last till the end of the year.

2. During the next monsoon, it is proposed to take a large harvest of crown and crown hybrid bark from the Dodabetta and Naduvatam estates, but although 150,000 lb. have been put down in the budget estimate as the probable outturn, I shall be guided by what I shall find will be necessary for the factory, and then after that, by what it is desirable to take from the trees. If possible, I shall make the quantity less rather than more.

3. With reference to the second remark made by the Government of India, that the manufacture has failed to keep pace with the increased demand, through inadequate machinery, I would point out that this is not quite the case, as will be seen from a perusal of the latter part of paragraph IX, on page 5 of the annual report, in which it is stated:—"From the 2,928 lb. 2 oz. of sulphate of quinine manufactured at the factory during the year, the following indents were complied with:—

	LB.	OZ.
Madras Medical Stores	20	0
Bombay do.	400	0
Ceylon do.	800	0
Mysore Government	50	0
Scinde	21	10
Paper packets and minor sales	64	8
Total ...	1,356	2

and there remained at the close of the year 1,572 lb. in stock, all of which and more has been already indented for by the various Indian Medical Departments—*vide* my letter, No. 18, dated 17th June 1891"; so that at the close of the year there were 1,572 lb. of quinine and 1,200 lb. of febrifuge left in stock.

4. Since the beginning of the present financial year, the results of the factory have been more satisfactory. Up to the 31st December 1891 indents were received which amounted to Rs. 77,000 or Rs. 1,000 over the estimated year's expenditure; and after these indents have all been complied with, there would be still left in stock on the 31st December 1891, 1,150 lb. of finished quinine and about 100 lb. of unpowdered febrifuge; and by the end of March next I expect to make 1,500 lb. more of quinine, besides, say, 1,000 lb. of febrifuge, but this will mean working without intermission for the next three months.

5. The machinery at present erected is adequate to turn out the quinine and febrifuge, which is likely to be indented for; but as I pointed out in my report, it is desirable to have certain portions of the machinery in duplicate; and I am preparing an indent which I shall shortly send in for the consideration of Government. Of chemicals, I have a sufficient quantity in stock to last for a long time to come, besides which, indents have been sent in to meet the requirements of the following year.

6. With reference to paragraph 3, I would point out that the price of 3 pies per powder was fixed when quinine was valued at Rs. 17 per pound. It seems to me, however, that now that the quinine has fallen to Rs. 14-11-3, it might be sold for 2

pies a powder, even if the jalap powders are given in. Government, no doubt, would lose a little money over the transaction, though not much; and if it would induce the people to buy the drug for themselves, instead of always getting it for nothing, as they do now, from the dispensaries, Government would eventually be considerable gainers.

7. I hope the Government of India are right in thinking that the native population have no reluctance to taking the drug; and that the small sale of the powder hitherto has been due solely to their high price.

8. I think the suggestion that the quinine and jalap should be sent in bulk to the different dispensaries, and there be made up into powders, is a very good one, and would effect a very considerable saving in the matter of carriage; and I would also further point out that I believe that in the course of another year I shall be able to supply from the Government Gardens all the jalap that may be required, and most probably in powder, at a very low rate. With respect to the objection raised by the Government of India to sending out purgative powders with the quinine, I think that the objection might be got over by colouring the quinine, as is done for the Bombay Government.

9. I enclose two packets * of the combined powders, one of which might be sent to the Government of India for their inspection, and another to the Surgeon-General, whose opinion on this latter point might be asked on the subject.

* Sent separately by packet past.

Order—dated 21st January 1892, Mis. No. 399, Revenue.

Referred to the Surgeon-General with the Government of Madras for remarks, with special reference to paragraphs 8 and 9 of the letter read above.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Surgeon-General with the Government of Madras
(through Public Department), with one
of the two packets in the case enclosed.

READ—also the following letter from W. F. DEFABECK, Esq., M.D., Surgeon-General with the Government of Madras, to the Secretary to Government, Revenue Department (through the Chief Secretary to Government, Public Department), dated Nungumbakum, 9th February 1892, No. 112:—

In re-transmitting your endorsement No. 399, dated 21st ultimo on letter No. 1 of 13th idem from the Government Botanist and Director of Government Cinchona Plantations referred for my remarks, I have the honour to state that I do not see that any appreciable saving will be effected by sending quinine and jalap in bulk: on the other hand, it will throw additional work on the subordinates at Municipal hospitals who have already as much work as they can attend to; moreover, uniformity in appearance, &c., can only be obtained by adhering to the present system.

2. I do not approve of the suggestion to wrap the powders in old papers; this would increase the possibilities of one powder being mistaken for the other; moreover, the outer covering of a drug, even among more civilized people, has a decided effect on its sale. A recognised feature of the success of proprietary drugs is the neat and attractive way they are made up. The present system adopted of issuing the quinine in buff-coloured paper and the jalap in blue meets the requirements of the case.

3. To further prevent any mistake under this head, I think the wrappers might have printed on them in Tamil "Purgative powder" and "Fever powder," respectively, and if it would not add too much to the cost, the outer wrapper enclosing both powders might with advantage contain simple directions, such as "the purgative to be taken first and when it has acted, the fever powder."

4. My own opinion regarding the sale of these drugs is that it will be in direct ratio to the interest taken in the sale and distribution by Revenue officials.

No. 284.

Transferred to the Revenue Department.

(Signed) J. F. PRICE,
Chief Secretary.

13th February 1892.

ORDER—dated 30th March 1892, No. 311, Revenue.

Miscellaneous.

Mr. Lawson's explanation in regard to the large quantity of bark in stock at the end of the year 1890–91 and the alleged unsatisfactory progress in the manufacture of quinine will be communicated to the Government of India for information.

2. As regards the distribution of quinine packets, the main object of the experiment being to encourage the use of quinine for the good of the fever-stricken population of the Presidency, the Government agrees with the Government of India in considering that the price should be reduced to the utmost limit which can be conceded without entailing serious loss. His Excellency the Governor in Council accordingly resolves to fix the price of the 5-grain powder at 2 pies and of the 100 powder packet at Re. 1, the jalap being issued free of charge as hitherto. This arrangement will give the seller a commission of 8 pies in the rupee or about 4 per cent. as at present.

3. His Excellency the Governor in Council agrees with the Surgeon-General in thinking that the plan suggested by the Government of India of sending the drug in bulk to local dispensaries to be there packed in old paper and distributed by the medical subordinates will not answer and that it is better to continue the existing method of distribution.

4. The Government does not think it necessary to colour the quinine powder so as to distinguish it from jalap, as the two drugs are at present packed in papers of different colours and are not likely to be mistaken for each other. The names of the drugs and directions for their use should, however, as an additional precaution, be printed on the wrappers in the vernacular of the district to which the packets are sent for distribution.

5. The following letter will be despatched to the Government of India.

(True Extract.)

(Signed) C. A. GALTON,
Secretary to Government.

To the Government Botanist, &c.
" the Surgeon-General with the Government of Madras (through Public Department).
" the Commissioners of Land Revenue.
" the Commissioner of Revenue Settlement, Land Records and Agriculture.

Exd. A. Aubert.

120 Copies.

Govt. of {1892} Madras.

REVENUE.

Issued

Recd. *Encl.*

G.O., 30th March 1892. No. 311.

MARCH.

Cinchona Administration report, 1890-91.

Passing orders on Mr. Lawson's report with reference to certain observations made by the Government of India in its review of the —.

GOVERNMENT OF MADRAS.

REVENUE DEPARTMENT.

READ—the following letter from W. J. HAM, Esq., Officiating Postmaster-General, to the Secretary to the Government of Madras, Revenue Department, dated Madras, 25th June 1895, No. 9107—M. S.-18 No. 45:—

In acknowledging the receipt of the Madras Government's G.O. No. 356, Press, dated 12th June 1895, I have the honour to enclose a revised set of rules for the sale of Government quinine by Post offices. These rules are now under issue to the Post offices concerned with instructions that they are to be given effect to as soon as the first supply of quinine is received from the Government Quinologist, Ootacamund.

2. With reference to paragraph 3 of the G.O. under reply, I beg to observe that Mr. Lawson's proposal No. (7) mentioned in paragraph 1 of G.O., No. 647, dated 3rd September 1894, was made at a time when he had also proposed that the permanent advance for quinine should be three packets or some multiple of three; but, as Government have now decided to fix five packets as the permanent advance and three packets as the minimum indent, it would appear to be much more convenient that the indent should be made when three packets shall have been sold and the remittance for the value of the packets sold should be sent by Money Order at the same time as the indent for the same number required. Not only will this simplify matters but there will also be a saving of two annas in the Money Order commission on the value of every six packets sold, as the Money Order commission on Rs. 3 is the same as on Rs. 2. The rules which provide for this are Nos. 6 and 7.

ORDER—dated 13th July 1895, No. 448, Revenue.

Miscellaneous.

The Government agrees with the Postmaster-General in the views expressed in paragraph 2 of the letter read above; and the draft rules submitted by him are approved and will be published in the Fort St. George and in the District Gazettes of Ganjám, Vizagapatam, Cuddapah, Kurnool and Malabar.

(True Extract.)

(Signed) E. GIBSON,
Secretary to Government.

To the Postmaster-General, Madras.
" Government Botanist, &c.
" Board of Revenue (Land Revenue).
" Superintendent, Government Press.

APPENDIX.

RULES FOR THE SALE OF GOVERNMENT QUININE BY POST OFFICES.

With the approval of the Government of India it has been decided to introduce the sale of Government manufactured quinine at all Post offices in the Cuddapah, Kurnool, Vizagapatam, Ganjam and Malabar districts other than head offices and the offices in certain large towns.

2. The Government Botanist and Director of the Government Cinchona Plantations, Nilgiris, will arrange for the supply of the quinine to the Post offices direct in small packets containing 102 five-grain powders, at the rate of 2 pies per powder.

3. The charge made for each packet when supplied will be Re. 1, and the one anna in excess which will be realized by the sale of the 102 powders will be the vendor's commission on the sales effected by him.

4. Head offices will not sell quinine under this system: but with the exception of the offices in the following large towns, viz.—

Chicacole	Ganjam District
Palghat	Malabar District
Cannanore	
Tellicherry	
Vizianagram	Vizagapatam District
Anakapalle	
Bimlipatam	

all sub and branch post offices will sell quinine at the fixed price of 2 pies per powder.

5. Five packets containing 102 powders each will be issued to each of the sub and branch offices and the value of those packets, viz., Rs. 5, is to be considered as a permanent advance for quinine.

6. Sub and branch postmasters must replenish their stock of quinine as soon as they have sold three packets by indenting on the Government Quinologist's Laboratory at Ootacamund, each indent being accompanied by the value of the packets indented for, remitted in the form of a money order. It will always be the sub or branch postmaster's duty to replenish his stock before the supply is exhausted, as it will very rarely happen that the entire stock will be sold simultaneously.

7. When applying for a fresh supply, the sub or branch postmaster will make out a money order for the value of the packets indented for at Re. 1 each less the money order commission on the total amount of the remittance.

8. Any quantity of quinine may be indented for at a time, except that no less than three packets of 102 powders each may be applied for, nor may an indent include a fraction of a packet.

9. The indent for a fresh supply of quinine must always be written on the coupon of the money order, which should be in the form given below:—

"Please send by return post three packets (or four packets, as the case may be) of quinine powders.

_____ Name.

_____ Sub / Branch Postmaster.

Date..... [ ] Name Stamp."

The commission for the money order as well as the amount remitted should be met by the sub or branch postmaster from the sale-proceeds of quinine held as permanent advance or from his private funds, and be credited in the postal accounts in the usual way under money orders issued along with the amounts of other money orders issued by the office. The money order will be made payable to the Government Botanist and Director of Government Cinchona Plantations, Ootacamund. The sub or branch postmaster should clearly impress the name stamp of his office at the bottom of the coupon containing the requisition for a supply of quinine in order that the name of the office to which the quinine is to be forwarded may be readily ascertained.

10. When the charge of a sub or branch office is transferred, the full amount of the permanent advance of 510 powders of quinine must be made over to the relieving official, and it may be either in quinine or in cash or partly in quinine and partly in cash; but for every 4 annas thus made over in cash, 3 pies may be deducted (being the commission on the sale of 24 powders) from the permanent advance. No commission is allowed on the sale of any number less than 24 powders. The transfer of the permanent advance in the manner described above on account of quinine must be entered at the foot of the charge report forwarded to the Superintendent.

11. Communications on the subject to the Government Botanist and Director of Government Cinchona Plantations, Nilgiris, may be sent on postal service, but, with this exception, everything relating to the transmission of quinine and the remittance of money to pay for it will be at the debit of the Government Cinchona Department.

12. The packets containing the powders of quinine must not be exposed to damp, as otherwise the quinine may deteriorate.

13. Superintendents and Inspectors when inspecting post offices authorized to vend quinine should examine the advance for quinine and see that it is correct. They should also make careful inquiries as to the manner in which the instructions conveyed in rule 12 are carried out, and make notes in their inspection reports on the progress of the scheme and of any matters of interest or importance in connection therewith, furnishing at the same time statistics of sales effected during the period to which the inspection relates. Extracts from inspection reports received from Inspectors containing such notes and statistics should also be forwarded to the Postmaster-General for perusal.

Endorsement No. 448A.

Copy to the Government of India, Revenue and Agricultural Department.

(Signed) E. GIBSON,
Secretary to Government.

Exd. J. P. Oliver.

70 Copies.

Govt. of {1895} Madras.

REVENUE.

Issued

Recd. *Encl.*

G.O., 13th July 1895,
Nos. 448, 448A.

JULY.

Sale of Quinine.

Revised set of rules submitted by the Postmaster-General for the — by Post offices, approved and ordered to be published in the Fort St. George and in the District Gazettes of Ganjám, Vizagapatam, Cuddapah, Kurnool and Malabar.

Govt. of {1896} Madras.

REVENUE.

Issued

Encl.

Recd:

G.O., No. 79, 15th February 1896.

FEBRUARY.

Government Quinine.

Publishing in the Fort St. George and District Gazettes notification extending the sale of Government quinine by Post offices to all districts of the Presidency, with the exception of Madras and Chingleput.

Taken out of a Public pkt.

Read again G.O. 3 ... Rev D 30-8-92
G.O. 448 Rev D 13-7-95
G.O. 79 Rev D 15 Feb 96

Before the price of our quinine packets is raised we must get the Postmaster General to alter the postal rules sanctioned in G.O. $\frac{448}{13.7.95}$ and I suppose we must address the Commissioner and request the supplies in the post offices of Coorg.

There are now 1550 post offices in the Presidency supplied with quinine, & some more (I don't know how many) in Coorg. The present advance of each post office is 5 packets. Thus the total advance is 7750 packets for the Presidency & some more for Coorg. Revenue officers also have a permanent advance. I don't know what the amount of this is, but on the 31st March they had 3756 packets in stock. Taking the total advance to be 11,552 pkts they (I agree with what is stated in the note about the values to be ... of the pkts & the Commr) the selling value of the advance at 2 pies a powder is R12274. When the price is raised to 3 pies a powder it will be R.18,411. This proposed raising of the price should therefore be kept con-

* This will be the commission the same viz. ... Re.
22.X.91

\+ This will be prepared for the Secy's approval of Hon Members pass the G.O.
22.X.91

G.O. Misc

In view of the rise in the price of cinchona bark H.E. the G. in C. resolves to fix the price of the 5 grain quinine powder sold by the Postal & Revenue agencies at pies 3 per powder. The 102 powder packets supplied to Postmasters and the 100 powder packets supplied to Revenue officials will be supplied at the price of Rs 1-8-0* per packet.

2. The appended notification will be published in the Fort St George & all District Gazettes in English & the chief vernacular languages.

22.X.91

To the Director G.C.P.
To the Postmaster Genl

To the Bd of Rev L.R.

Copy to the Acct Genl

14

fiduciary till it actually is raised. Otherwise the borders will be able to buy up the whole of the stock with the certainty of reselling it at a profit. Mischief may have been done in this way already, as people in Madras, knowing that the price is now raised, may have telegraphed the news to friends in the Mofussil. I think after settling matters with the Postmaster General & the Commr of Customs & Excise, we ought to telegraph the raising of the price to every district.

JG
11/12/97

RH
11/12/97

D
4 1,000—8-4-97.

REVENUE DEPARTMENT.

No.

From

Dated 189 .

FOR ORDERS.

Rel. to Standen

Please stop complying with indents for quinine packets on price packet system pending further orders.

JG
11/97

FOR ORDERS.

D 1,000—8-4-97.

REVENUE DEPARTMENT.

Confidential No. 8

From

Dated 189 .

1404.

I have added a note

8/12/97

FOR ORDERS.

See

With reference to the com Mr Gross note on the proposed draft order raising the price of quinine ~~packets~~ powders from 2 pies to 3 pies I submit the following precis of the order under which these packets of powders are issued & sold by Rev Offrs and Postmasters.

Revenue Offrs

In G.O. No 733 Rev of 15th Sept 90 the Govt at the instance of the late Mr Lawson sanctioned the supply of packets to the Subdy & Collectors for distribution & sale by Revenue Offrs within their districts, of packets each containing 100 grains

After considering the matter carefully, I consider that it will be a very good precaution to get Collectors & the Postmaster to call for returns of stock as usual, & raise the price 10 days after words Mr Shawdon shd be told that in 10 days he can resume supplies & that (a) the present advances shd be adjusted by O as suggested in the note the Postmaster & Comr shd be told of these arrangements &c.

JG
8/12/97

(a) the present advances shd be adjusted by O as suggested in the note

Rain powders of quinine. The packet was priced to the official at 1/8/0 & the price to the purchaser of each powder of five grains was to be 8 pies. Thus the official selling would make a commission of 1 anna on the sale of each packet or 8 pies per Rupee.

It would be seen that In G.O. No 311 of 30 Aug 72 the price of the powders was fixed at 2 pies each & that of the packets at 1 Re. The commission thus remained the same, 8 pies per Re: No subsequent change has been made.

It will be seen that the Collectors are supplied with packets upon indents & that they distribute the packets to Rev: officials in the District & that the proceeds (less commission) are remitted after sale. It does not appear from the papers in this office

whether Collectors require any accounts of sales to be kept by the various Officers to whom the packets are distributed & in the absence of such accounts Govt will have to depend on Each mans word for the number of packets he has issued at any given time.

As a safeguard when the price is raised against fraud, it is submitted that the following procedure may be adopted. Each Collector may be told confidentially to ascertain the stock remaining unsold in the hands of each of his Subordinates before communicating to them the rise in price. This might be done by D.O. Chaupat from the Govt Office.

To Collectors.

In G.O. No 347 of 28 Apr 73

The difficulty in ascertaining from each Rev. Official (including village headmen) who has been entrusted with the packets, the stock he has in hand will be very considerable. I doubt if the information could be completed & got in within a month: & until that is done I suppose the Supplies could have the stopped indents left unsupplied with. Is it worth while that this might be a serious matter. Perhaps the best way would be to allow 1/2 a week & resume supplies after that & accepting the results of the subsequent inquiries

(7) R

the Govt approved of the proposal to use Postmasters the Postal Dept as a vending agency & sought the sanction of the Govt of India to this course

Meriale Mr Lawson ~~secretary~~ submitted the above G.O. dtd an order authorising the supply of genuine Stamps collection to Post Offices and be entered into correspondence with the Postmaster General. The Govt then drew up a set of rules for the supply to the packets to postmasters & their sale which Govt approved of.

Subsequently after certain suggestions were made by the Director of the Cinchona Plantations a revised set of rules was drawn up by the P. Govt & approved by Govt. in G.O. 448 Rev dt 13 July 95 In G.O. No 76 Rev dt 15-2-96 the rules were enlarged to

G.O. No 180 dt 2nd March 94 Fin

X

Y

The packets sent to postmasters contain 102 powders but the price of the packet is 1Re as in the case of Rev stamps. Most postmasters make 1 anna per Re: as commission while Rev stamps make only 8 pies.

12 If a postmaster wishes to cheat by retaining 2 pie packets to sell as 3 pie packets he can easily do this by transferring his balance of stock to himself to vending ~~at sale~~ & it is assumed that he will assert he has only 2 packets in hand, the min^m Rs he is bound to keep even if he has more. He may however assert he has none in hand, that he has sold out & forgotten to indent But in such case we may I suppose, reject the declaration & tell him that if he disobeyed the rule he may suffer. Of course only a certain proportion will attempt to swindle in the matter, & it may not be thought worth while to do more than accept each P.M's declaration as to his stock. No individual P.M can make very much out of it

all districts except Madras & Bangalore.

It will be seen that an advance of 8 packets is made to each post office. All subsequent supplies are made on payment. Under Rule 6 the minimum stock of genuine should be 2 packets.

I submit that therefore the postmaster can only cheat Govt to the extent of 3 packets at most i.e. on receipt of the order raising the price a postmaster can at the most only say he has only 2 pkts. At the most, he can only have 5 packets unpaid for. There are 1572 Post offices which are supplied with genuine (vide page 7 of G.O. 85-1 6 Oct 97) So the total amount which all these postmasters taken together can embezzle

is 1572 × 300 pies
= 4)16 00 pies = 39300 as
= 24 Rs 56 a 4

This assumes that every postmaster will have in stock 5 packets of Guinine & will say that he has only 2 packets.

When the price is raised it will not only be necessary to guard against such fraud but also to adjust the permanent advance.

Thus if a Postmaster has 5 packets exactly i.e. just his advance, he may have to add to that it is now worth 7/8/0 & no adjustment is necessary. If he has any quantity above 5 packets eg. if he has 7 packets, then 2 packets are his own property & we cannot help the fact that he got them for 1 Re each. The remaining five packets with his permanent advance are now worth 7/8/0. If he has some time ten times 5 pkts

1872

eg. 3 packets then the rest of his permanent advance must be 2 Rs in money. But 5 packets are now to be worth 7/8/0 & 3 packets are worth 4/8/0 so Govt must send the postmaster either 1 Re or $\frac{2}{3}$ of a packet to make his permanent advance up to the equivalent of 5 pkts or 7/8/0. It will not of course be necessary to send the 1 Re. The postmaster may be allowed to underremit 1 Re in his next indent.

To carry the change into effect Mr Saunders might be told to delay complying with indents for a week & to send each Postmaster a reply post card asking him to state what is his permanent advance in Guinine & how much + to what sales pending a reply is in money. He could then on receipt of reply inform

8/8

There are 1572 pos & the issue to so large a number of such cards will be a troublesome business. They will have to be printed confidentially. If so this will be best done here, perhaps, the reply Dhg sent to old Saunders direct. or perhaps best of all to have the Pt Dhanis into the P.O. Secretariat now & then to be able to consult him. He has now at last some means of communicating rapidly with his POs & could make them Rewards him. Which will probably be better & more

the postmaster of the nea
in perie & adjust his perm
advance as indicated above.
Instructions to this effect
might I submit go to Mr
Saunders do.

The Hon Mr Grose
was asked that mischief
might have been done
already. The papers ~~have~~
I submit have been
kept confidential since
they came into the Peri
& have been circulated
in a confdl box. I do
not think the Head Clerk
had known himself
to see what they were about
& the Engineer
any clerks who has
seen them is unknown
Narayana Menon. To
guard against any
complaints with excessive
incidents Mr Saunders has
been already telegraphed to
to stop compliance with incidents
pending further orders. This
telegram may perhaps be
soon modified by a D.O.
letter when what is in contemplation

Satisfactory
JG

?

The Purely Secys office might of course
have given inf. outside

I did this as a preliminary
precaution
S.T.

The P. W. S. has nothing
to do with the price
S.T.

Right
JG

Z

and asking him to
submit indents carefully
before compliance pending
the receipt of orders to
raise the price.

~~If the suggestions~~
~~made above are~~

I submit that
from the papers put it
does not appear necessary
to consult the P. W. S.
previous to raising the
perie. It was necessary
to consult him
before introducing the
system but the price
at which the quinine
is sold cannot affect
the departmental working
of the rules in any way
provided the permanent
advance is duly adjusted
to meet the new rate.

From G.O. No 3887
of 25 Sept 95 it will appear
that the Madras system
rules for the sale of the
packets by postmasters
was introduced into
Coorg which is under the

14

Same R.M.G. at the
request of the Chief Commr
It seems doubtful whether
the Chief Commr need
be consulted about raising
the price. Orders are solicited
if the suggestions made
above are approved it
will be necessary to guard
against collectors informing
their subordinates
of the rise in price
before the postmasters
have reported to the Standard
Collector might thus
be able to ascertain the
stock & effect sales pending
the entire receipt of a
telegram from the Standard
which should be sent
after he (the S.) had received
the replies from the
postmasters.

The original note ~~has~~ is
~~not been~~ put up again
with below.

H.H. 3.12.[illegible]

The C.S. discussed the matter
with me before sending the above

It would seem sufficient to send a copy
of the G.O. with a letter to the
Chief Commr of Coorg & a copy
to the G.O. to the P.M.G.

Yes: & a do. explaining
the circ. S.H.
H.H.
[illegible]

15

note which states the case fully
& clearly.

The first thing to do,
before bringing the change in
the price of new supplies into
operation, is to ascertain
the stock now in the hands
of distributors so that its
price may also be raised
But as it is inadvisable to
stop supplies for any considerable
time it seems the best plan
to fix a period, of say a week or 10 days,
from the date orders issue re-
garding the
~~stock~~ ascertainment of the stocks,
& on the expiry of that period
to presume compliance with
indents whether the information
has been completely received
or not. Within the period
named information will be
on its way from most of
the distributors; & if it is
not quite complete it does
not much matter: possibilities
of fraud will at any rate
have been greatly minimised.

Yes - by 10 days

12

(a) as to stock in the hands of Sec. Officials, ~~by~~ may issue confidentially from this office to all Masters ~~to issue~~, immediately on receipt of the Ds., the to ascertain & return of all stock in the posn. of them subordinates

& cipher telegrams

Yes
JS

(b) as to stock with Postmasters, same. Under the marginal notes above, I have seen the P.M.G. & he tells me that if Ds. instructions are sent him he will obtain the returns so far as his department is concerned

Ask him to get returns. He will do it more quickly than we should

JS

During the week or ten days however ~~is asked~~ allowed for taking stock it will ~~not only~~ be practicable to ~~do~~ sales at the old prices ~~but~~ as the ~~Dept~~ raising the price must come into operation, on the plan proposed, on the expiry of the week or ten days. Let the orders to send returns of stock & to raise the price were simultaneous

10 days
JS

but the sales ~~Dy~~ W. be very small in ordinary course — unless the intention to enhance the price ~~did~~ became pot out & fictitious transactions be entered.

Yes. There will be a loss but it will be a very slight loss, & this will be more than compensated by stopping sales and the market would

JS

10

the grounds which it is the intention to ~~Dept~~ W. be or might be perpetrated wholesale. Of course the plan of making the rises simultaneous with the orders to send returns of stock is an alternative, if Govt is prepared to accept ~~each~~ a certain amount of loss or rather to give up a certain amount of gain. After all, probably a considerable or large proportion of the returns W. be honest.

Yes
JS
8/12/97

With regard to the adjustment of the permanent advance to P. Masters I agree with the Md — in his suggestions.

8/12/97

can there be raised 10 days afterwards. It is desirable that sales shd not be stopped even for a day, & that supplies & adjustments shd be effected as soon as possible, for I find there is already a rumour out that Govts are going to stop the sale of postal packets.

Yours sincerely
J Ince

8/12/17

POSTMASTER GENERAL'S OFFICE,
MADRAS, Dec. 6th 1897

My dear Forbes,

About that
account. We get quarterly
statements showing the exact
amount in stock. One is due
on the first week in January.
Will that be soon enough for
you?

I thank myself that your fears

12-5-97—100.

INDIAN TELEGRAPHS. Monthly Number.

Code Class.

To (Office) Lahore

From (Office) Mooltan

Words.	Day.	Hour.	Minute.	Official Instructions.
3	11	11	47	

To (Person) Secretary Revenue Dept

From (Person) Accountant Genl

Please telegraph whether Tehsil ...
... Chenab ...
... Lahore ...
... Mooltan ...
... Jhang ...
... Shahpur ...
... Gujrat ...
... Sialkot ...

Sd

Use Word Form.

F. C 2.

Read from ... LN

Sent to ... LN

At ... Hrs. Mts. by ...

At ... Hrs. Mts. by ...

Telegraph Master.

G & P—No. 131 T—4 L 17—2000 1.10

Raising price of Quinine packets

Secy

Note.

The Hon members orders are submitted ~~but~~ Quite clear. From the Hons Secy's dated 8-12-52 (attached below) and the Hon Members note on page 12 of the "Confidential" note on orders (below) it would appear that the Hon Member is averse to stopping sales. If sales are not to be stopped then there is, I submit, nothing to prevent allowing any interval between the call for a return of the stock in hand and the intimation of the rise in prices. For a postmaster in receipt of the latter can say that the stock he reported as being in hand was sold

Secretary told subsequent to his report and before the intimation of the rise reached him.

I then assumed therefrom that the Hon Member intends that sales should be stopped for 10 days but not more & submit 2 drafts accordingly

D.O. to Mr Curtis (2), Telegram to all collectors (3), D.O. to Mr Stanton.

If sales are not to be stopped even for a day then the simplest course would be I submit to receive a G.O. ordering the price to be raised & calling a Postmasters to report the stocks both they have in hand on its receipt. This is I am sorry I could not complete this before 2 p.m. today but it does not seem so very urgent as to call for action before receiving attention on Sunday when I am ordering it to be sent over to Ootacamund

On further consideration I agree with the S & N S that sales must be stopped for 10 days, so I approve the drafts.

JG
14/12/97

Dept

If there are passed a G.O. notification & D.O. to the Govt Coorg with a subsd. letter

Seen

Please see drafts accompanying the draft proceedings issued

14/12/97

I am inclined myself to favour this mode of dealing with the matter - risking any loss that may be incurred - but as the it has been decided to take stock, sales must be stopped for the 10 days.

JG
14/12/97

Hon. Please see draft below

BB 13/12

Dept 15/12/97

Correspondent

Do to the P. Mr.

My dear Curtis

From G.O. Nos

X 44 of Res. dy 13 July 95 &

Y 79 Res. dy 15. 2. 96 you will see that postmasters in this Presidency (except in the districts of Madura and Chingleput) are supplies on indent with Quinine packets at 1 Re per packet. Each packet contains 102 powders and the ~~authorised~~ price which postmasters are authorised to charge per powder is at present 2 pies. Each postmaster was originally supplied with a permanent advance of 5 packets. All subsequent packets were supplied on payment. ~~and Govt for each postmaster has at present a permanent advance of 5 packets~~ to have an advance of 10 packets to provision Coorg with Quinine

JG
14/12/97

~~Of the~~ permanent advance, by 22

~~Or in money~~ ~~Under~~ rule

6 of the Rules with G.O. Nos 44 & Rev d 13 July 1895, ~~each~~ ~~postmaster must have~~ must remain of at ~~least~~ 2 packets (i.e. 2 Rs worth) of Guineas; the balance ~~of~~ ~~Rs~~ may be either in money or Guineas.

2. Post ~~cards~~ ~~embossed~~ ~~inland~~ have received

~~Having~~ to date the price of each

postage upon the price of each order to 8 pies, ~~each~~ Guinea. Postmasters wishes to guard as much as possible against the possibility of the postmasters upon the announcement of the rise, ~~crediting~~ fictitious ~~as~~ as sold at the low rate ~~any stock they have in hand~~ ~~as much of their permanent advance as consists of Guineas in Excess of 2 packets~~

The price of the packet will be 1/8/0 then leaving the commission the same as at present viz 1a per Re.

3. I am therefore to request that you will with kind ~~to~~ on receipt of this, ~~cable~~ issue simultaneously, if possible, to ~~you~~ all the postmasters who sell Guineas (both in the Mercantile & the Coorg ~~Depots~~ to ~~send~~ you a return of the exact amount of Guineas ~~then~~ each had in stock, and at the same time intimate them

instructions ~~orders~~ respecting them immediately on receipt of your orders

4. The Rule should be issued (so far as the ~~parties~~ persons concerned) by the Director (Director in the district) Gazette

But whether all the returns shall have been then rec'd or not, it is proposed that on the 24th inst. I shall issue on the 27th inst. a notice in their district gaz as to the raising of the price both in post-offices & in the rev. offices, & from what date the rise will take effect. This seems the quickest & safest way of effecting the change. Until then no intimation of any kind should be allowed to get out of the intention to raise the price. But I would be glad if you will kindly issue instructions to the above effect on the 24th inst.

to stop further sales pending orders. With double time for all the returns to reach you, but in about 10 days all ~~about~~ money which has been so, or in their way to you. According I am to ask that on the receipt of this you will wire whether all the returns have been received or not, ~~the cable for their returns~~ ~~to~~ and the order to stop sales, upon which I will send orders for sales to recommence at the enhanced rate

5. I am directed to request further that you will kindly forward the returns, as they come in, to Mr Standen, the Director of the Govt. Cinchona Plantations, who will thereupon take steps to adjust the permanent advance so as to be Rs 7/8 or the equivalent of 1 packet of Guineas at the new price, viz., Rs 7/8.

6. The necessary with under alterations in the Rules approved in G.O. No 44 & d 13 July 1895

GPO

the allies Rule. noted
Notified in due course.

Ulla 11.11.81

Cipher telegram Wall
Collectors except Madras & Municipal:
from Madras Rev
Defences.

Govt intends raising price (of two) quinine sixorders from 2 pies to Three pies. × Plase immediately on receipt of this send orders your subordinates to despatch at once for return of Stock in their possession all subordinate depots ordering stoppage of sale pending your further instructions. On the 27th instant you will notify in (a) special distt gazette (the) each orders for (b) price & enhanced rate all sales from that date (c) Simultaneously distributors including postmasters Meantime keep strictly confidential the object requiring (the) returns before raising price

Send after receipt (of) all returns send Statement of stock to Director Govt Cinchona Plantations, Ootacamund

Ulla 11.12.81

Sent I believe the cipher code is kept strictly confidential & the telegram should be treated confidentially

I mean the district Officers Code. Surely the Govt Ind has one? If not one should be sent to Govt to depot

Dept. 15/12

Confidential -

Do to Director Govt Cinchona Plantations

My dear Standen

Govt intends raising the price of the Quinine powders sold by Rev & Postal Officials from 2 pies to 3 pies. Large stocks will be necessary to guard as far as possible against the possibility of frauds being done by distributors creating their stock to fictitious sales the moment they hear of the rise.

2. All Collectors have accordingly been instructed to call for a return of the stock on hand from all their subordinates and to stop sales pending orders. It will no doubt take a long time for all of these returns to come in but most of them will be in their way to the Collectors when to days Govt intends

~~Postmasters~~ Collectors have been told accordingly to resume sales at an enhanced rate by auction in their respective districts on the 26th ~~inst~~ 27th inst ~~on receiving them~~ ~~after subscription~~. The possibility of fraud ~~by the Revenue officers~~ with which is thus announced. Collectors have also been instructed to send you a statement of stock compiled from all the returns they receive. You will probably be able from these returns to form some idea as to whether there has been any fraud. Please report on this point in due course.

3. As for the Postmasters, the Postmaster General has been asked to call on them to send in a return of their stock and to stop sales pending orders. As to the case of Revenue sales which resumed on the publication of the ~~notification referred to~~ Collectors' circular letter on the 27th inst under the Collectors instructions in the Madras district they will be for the 1st in respect of Coorg

4. From Rule 6 of the Rules appended to G.O. No 1 and Rs of 13 pkts 5s it appears that Postmasters must ~~or ought to~~ have at least 2 packets of genuine ~~in their permanent advance~~ the balance being ~~value~~ genuine

~~Stamps~~ or money the Postmaster-General has been asked to send you all the returns received by the Postmasters and as you receive it will be necessary for you to adjust their permanent advances in the ~~following~~ manner ~~indicated below~~.

5. If a Postmaster returns 5 packets or more than 5 packets as in stock, then 5 packets with his permanent advance, now worth 7/8/0 in money. Any excess over 5 pkts with his own property since he has already had credit. If he has in stock any no of pkts less than 5 (he cannot or ought not to have less than 2 pkts), then the balance of his permanent advance must be in money, Es., Supposing he has 3 pkts, then he must have 2 Rs. Three packets with be worth

Rs 4/8/0 ~~to be~~ sent as 5 pkts (his permanent advance)
with a worth 7/8/0 it
with a necessary to ~~send~~ give
him ½ of a packet or
1 Re. You need not
send him other but
allow him to undersell
1 Re with his next indent.
After this is done all the
Postmasters will have ~~5 packets~~
~~of Jasmine or at least 2 packets~~
~~of Jasmine & the balance~~
~~& its Equivalent by 7/8~~
~~in money or Jasmine~~
a permanent advance
of Rs 7/8 in Jasmine
Cuttack (5 pkts) or at least in
2 pkts of Jasmine & the
balance cash or Jasmine
for to the total value of Rs 4/8
6 ~~Upon receipt of~~
~~the Gazette notification~~
~~above referred to above~~ Form a
After ~~above~~, the ~~2nd~~ instr
You may proceed to
supply work the indents
from Collectors & Postmasters.

11.12.97

I.S.[illegible]

Per Please see draft S.O. to Chief Commr Coorg below

Per

Read again Gl. 311 Rev dt 30.3.92
Gl. 448 Rev dt 13.7.95
Gl. 79 Rev dt 15.7.96
Gl. ~~18 December~~ 1897 No 1073

In view of the rise in the price of cinchona bark H.E. the Gov C resolves to fix with effect from the 27th December 97 the price of the 5 grain Jasmine powders sold by the Postal and Revenue agencies at Pies 3 per powder. He 102 powder packets supplies to Postmasters and the 100 powder packets supplies to Revenue Officials will be priced at Rs 1-8-0 per packet.

2. The appended notification will be published in the Fort St George and all District Gazette in English & the chief vernacular languages.

16/12/97

To the Director G.C.P.
To the Postmaster Genl
To the Bd of Rev L.R.
To the Dept Fort Pren
Endt. Copy to the Chief Commr. Coorg.

+ See separate sheet.

S.O. 1st page to Office Memorandum

This S.O. Confidential with the D.O. letter of even date

D.O.

to Chief Commr of Coorg.

My dear Mr Robertson

I am transmitting the accompanying copy of this Govts' order No 8 dated 5th inst directing that the price of these powders has been raised in accordance with the suggestions of the Govt of India. The powders are supplied from Bedrowattam to the Coorg post offices under the rules which accompanied your letter No 1671 dated 12 Sept 95 and which were approved of by this Govt. vide Mr Gibsons letter No 3888 dated 5.10.95. The alteration in the price will entail corresponding alterations in the rules.

File 2

do.

2. It will be observed that these rules provide for the issue, in the first instance of five packets of quinine to each postmaster as a permanent advance. To guard against the possibility of fraud

Let us keep the proposal confidential till then

being committed by postmasters returning this permanent advance as sold at 2 pies per powder on hearing of the rise in price, this Govt has confidentially requested the Postmaster General Madras to call for a return of stock from his subordinates and at the same time to instruct them to stop sales pending further orders On the 27th inst the Postmaster General has been further requested to announce the ~~& direct resumption of sales~~ rise in price on the 27th inst. Most postmasters will, it is thought, have despatched their returns before receiving this announcement & thus the possibility of fraud will be reduced to a minimum without sales being stopped for an undue long period.

3. The returns will probably show that few if the majority of cases the stock in hand is something less than the permanent advance of 5 pkts:

The balance in each case with h.m. cash at the rate of 1 Re per packet. As this cash balance will now represent a smaller amount of quinine, instructions have been issued to the Standers to adjust the permanent advance in all such cases so that it may consist of 5 pkts of quinine or of quinine & cash to the value of Rs 7-8-0 at the new rate.

4. ~~Inclosure. The Pub. Dy. has been desired to carry out~~

~~Loan to Canteen for bottles~~ ~~after consultation with the Postmaster General~~

~~Visit to~~ The preliminary precautions primarily affect the Post-offices under the Pt but the P.M.G. will doubtless adopt a similar procedure in regard to Coorg offices which are also under him, and I am to explain what has been done in detail for his information.

~~needs to the Govt approval~~

Ills
16.12.95

S.B.
18/12/95

Read again G.O. ✠ 30-3-92
No. 311 Rev.
——— G.O. ✠ 3-7-95
No. 448 Rev.
——— G.O. ✠ 15-2-96
No. 79 Rev.

G.O. ✠ 18 December 1897 No. 1073

In view of the rise in the price of cinchona bark His Excellency the Governor in Council resolves to fix 1/2 effect from the 27th December 1897 the price of the 5 grain quinine powders sold by the Postal & Revenue agencies at pies 3 per powder. The 102 powder packets supplied to Postmasters & the 100 powder packets supplied to Revenue officials will be priced at Rs 1-8-0 per packet.

2. The appended notification will be published in the Fort St. George Gazette & all district Gazettes in English & the Chief Vernacular Newspapers.

(True extract)
(sd) G.S. Forbes.

To The Director of Govt Cinchona Plantations
" Postmaster General
" Board of Revenue (Addl)
" Supdt. Govt Press (for notification.
" Chief Commissioner, Coorg.

O
18 8,000—19-7-97.

Revenue (1898) Department.

~~D.~~ CURRENT No. 10

Order

From Wm. Standen Esq:
Director of the Govt
Cinchona Plantations
Nilgiris

No.

Dated 16th
Received 18th } January 1898
Registered 18th
Enclosures
Spare copies.

SUBJECT.

making certain suggestions
regarding the adjustment of
the value of the Stock of Quinine
held by Postmasters.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Office of the Director of
Government Cinchona Plantations,
Ootacamund, 16.1. 1898.

My dear Forbes.

Re matter of the adjustment of the values of the stock of Quinine held by Postmasters is likely to be a very complicated one - In your DO of 15 Dec't you say:

"If he (the Postmaster) has in stock any number of packets less than 5 (he cannot or ought not to have less than 2 packets) then the balance of his Permanent advance must be in money. E.g. Supposing he has 3 packets, then he must have Rs2/. Three packets will be worth Rs4/8. but as 5 packets (his permanent advance) will be worth Rs7/8, it will be necessary to give him 2/3rds of a packet or R1/. You need not send him this, but allow him to understand - R1/- with his next indent. After this is done all Postmasters will have a Permanent advance

Mr Saunders's D.O. abmt adjusting
No permanent addresses of Postmasters
Note for the Surveyor Genl

The original of the G.O.
with the notes is submitted.
Spare copies have not yet
been received from the Press

BMM
19.1.98

Secy

I have puzzled over this
for some hours but can find
no very satisfactory
solution. Mr Saunders
plan wd settle the matter
but it needs the concurrence
of the P. M.G & a lot of
bother to the Postal people
To avoid this, the folls
plan might be adopted.
The difficulty in it is
that is cannot be easily
stated in general terms.
It is as follows. Take
Mr Saunders Trichy case
The Postmaster has
262 powders in stock.
He has sold 240 powders
& Mr Saunders assumes

that his commission on this is both 2 annas (2-9-4 — 2-7-4).

The Postmaster's commission is however 1 anna in the Rupee (of sale). I will propose to calculate his commission on the whole advance & adjust it so as to get over the two difficulties.

For example e.g.

Gross value of 248 parcels sold at old rate 2 pies	2-9-4	
Gross value of 262 parcels both sold at new rate (3 pies)	4-1-6	
	6-10-10	
Commission at 1a in the Re		6-8

I will allow him 6 as 10 pies commission & adjust it as follows

	as	pies
On the 248 parcels sold	2	4
On the 262 parcels both sold	4	6

The accounts will stand as under

	Gross	net
In hand		
The value of 248 parcels sold	2-9-4	2-7-0
The value of 262 parcels sold	4-1-6	3-13-0
	6-10-10	6-4-0

Now about the adjustment

and 3-13-0 worth of gold mine. He want to make up his permanent advance to 7-8-0; therefore Rs 1-4-0 is the amount which the man has to undervalue.

To take another case suppose 178 parcels both on hand & 332 parcels sold, then

value of 332 parcels @ 2 pies	3-7-4
value of 178 parcels @ 3 pies	2-12-6
	6-3-10
Commission at 1a in the Re	6-3

5 annas 10 pies is the nearest amount of annas & 10 pies ∴ the commission should be 5 as 10 pies & the account must stand as under

	Gross	net
value of 332 parcels sold	3-7-4	3-4-0
value of 178 parcels both sold	2-12-6	2-10-0
	6-3-10	5-14-0

Amount to be underremitted (7-8-0 — 5-14-0) = 1-10-0.

The process may

described as follows
(1) The gross value of the sold portion of the permanent advance of Sr. phls should be calculated & to this value should be added the gross value of the unsold balance at the new rate of 8 pies per packet.
(2) Upon the total thus obtained the commission of the vendor should be calculated at 1 anna per Re. The minimum no. of
(3) ~~No. so obtained~~ pies + should be added for deduction from the ~~gross~~ amount arrived at in (2) as will make the difference between the total amount in (1) & the ~~amount~~ amount in (2), an Even number of annas
(4) The amount of the ~~commission~~ arrived at in (2) ~~gross~~ modified by addition or subtraction as in (3) should be taken as the vendors commission

+ with: This can never be more than 6 pies & will not be less in the long run average. It will sometimes be added & sometimes subtracted

8

(1)

and this amount should be apportioned between the two parts (sold & unsold) of the permanent advance so as to make the difference between the gross & net values of these portions consist of an even no. of annas

Mly 21.1.38

24.1.8

My dear Curtis

Will you kindly look at Standen's do. & the K.i suggestions, & say what you think. I shall be very much obliged

Yours ever

S. Forbes

To the Postmaster General with the file.

My dear Forbes,

I return the file with a copy of a note by my Personal Assistant. I think that his solution of the difficulty is satisfactory.

Yrs. sincerely

J.T. Curtis

Jany. 27.

Sirs

The pie difficulty seems to have been much ado about nothing. The plan proposed by the Principal personal assistant seems excellent & may I submit be adopted. Had Mr Standen tried our plan before objecting (which he ought to have done) he would have saved some time & trouble

Yrs
29.1.98

Moved Trouble
Hy Jones
29/1/98

Please draft and for
Mrs approval
J.T. 29-1-98

Note on the proposals for adjusting the permanent advance for quinine held by Post Offices.

------:o:------

It is observed from the Director's letter that the ~~Under Secretary~~ Government's proposal for the adjustment of the permanent advance is that when a Postmaster next indents for a supply of quinine -- powders he may be allowed to under --- remit a sum which is obtained thus :.

{ Rs.7-8-0 (Permanent advance) minus (net value of powders remaining unsold calculated at 3 pies each plus cash in hand) }.

To quote an example :- A Postmaster has 3 packets on hand and cash Rs.2/- The net value of 5 packets at 3 pies per powder is Rs.4-8-0. Add to this the cash in hand Rs.2/-. Deduct the total thus obtained Rs.6-8-0 from Rs.7-8-0 the permanent advance. The balance is Re.1/- and the Postmaster should under remit this amount when next indenting for quinine i.e. he should remit Rs.2/-

for

for a supply worth Rs.3/-

2. The Director does not agree to this proposal as

(1) it will take a long time - perhaps a year or more - for Postmasters to submit indents and

(2) the stock in hand consists of odd -- number of powders in addition to whole packets: and cash in hand represents the value of packets and loose powders sold at 2 pies per powder.

The Director says that in a case in which a Postmaster has a stock of 4 --- packets and 101 powders and balance in cash 2 pies the value of 1 powder sold. The Postmaster will have to under-remit 1 pie according to the Secretariat proposal which the Director states the Postmaster cannot do by Money order. (Rs.7-8-0 -[Rs.7-7-9 plus 0-0-3])

The Director therefore suggests the following procedure:-

(1) That cash held by each Postmaster at the time the sale was suspended be remitted to the Divisional Superintendent of Post

Offices.

(2) That the Superintendent should pay the whole sum into the treasury and send the treasury receipt to the --- Director in the accounts of whose office the amount will be credited.

(3) That the Director should issue quinine powders in sufficient numbers to bring the stock in every Post Office to the full number - 510 powders.

3. The Under Secretary does not --- support this proposal as the Postmaster General has not expressed concurrence and as it would throw a lot of work on postal officials. The Secretariat -- suggests however the following course:-

(1) Take the gross value of the sold portion of the permanent advance at 2 pies per powder and add to it the gross value of the unsold portion at 3 pies per powder.

(2) On the total thus obtained calcu-- late vendor's commission at 1 anna per