O/9. 3,000—17-12-98.

V. E.

Revenue (1899) Department.

MISCELLANEOUS SERIES.

G.O., No. 1429

DATED 20th April 99

[Despatch Abstract.]

Awaiting the formal application promised by the Director E.C.P. for an additional grant in excess of budget provision for the purchase of cinchona bark.

BACK PAPERS.

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

FURTHER PAPERS.

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

Revenue (1899) Department.

CURRENT No. 2409

Dp sharp 20/4/99 7 pm

G.O. Misc 1429. 20th April 1899

The formal application promised by the Director will be awaited

Despd. 21-4-99 ~~Order~~ To Dr G.C.P. 20/4/99 To Fmt Dept ~~1429 Misc 20th April 1899~~

20/4/9

Secy

This is submitted at once as the Secy may like to discuss the position with Mr Standen as soon as possible. Of course Mr S. Shd not incur any expenditure in anticipation of provision in the Budget & sanction. It is perhaps doubtful whether he Shd not refrain from purchase of bark until after his return from Java

11/4/99

Mr Standen discussed the matter with me at Easter & I told him that he must not exceed his budget

From W. M. Standen Esqr
Director, Government Cinchona Plantations, Nilgiris

No. 14

Dated 7th April 1899
Received 9th
Registered 10th
Enclosures Nil.
Spare copies —

SUBJECT.

Quinine and Bark Market.

Reports on the present position of the — and points out that as far as can be ascertained the bark arranged to be purchased this year will cost of Rs 54687-8-0 in excess of Budget provision and that a formal application for an additional grant will be made when the actual requirements are known.

intended to ... 20/4/99

allotment without specific sanction.

It is a pity he took his estimate of price for the year at so low a figure, but I presume it was impossible to foresee the very extraordinary rise that has taken place in the price

With regard to the particular ~~sale~~ purchases in question, the contract has been made, & the money must be found. Will Fin. Dpt. say how the sum required will be provided?

S.R. 17/4/9

(For the future contracts should be made either subject to a max.m rate or to a definite price. On this point Mr Standen will be consulted.) S.R.

Fin. Dept. cir. no. 121 of 18th April 1899

Recd. 18/4/99.

Sam

BACK PAPERS.

G.O.	No.	Department.	Date.
8		"	

FURTHER PAPERS.

G.O.	No.	Department.	Date.

[G. / 73]
2,000—25-11-96.

Financial Dept

NOTE FOR THE C.S.

The additional allotment required is apparently '55 lakhs. The amount must be found in the circumstances & the only source is the 8·73 lakhs unallotted under 45 Civil Works. Of this sum, 3 lakhs should go to Dt. Boards & Municipalities for grants in aid on account of Plague expend.e & the Gof I. apparently intends the money for Lighthouse improvements to be found in the first instance by Provincial. The '55 will ~~[illegible]~~ make a ~~[illegible]~~ hole in this unappropriated allotment

C.W.S.
19.4.99

The money will come back in the form of credits for guinea sold. It must be met from the 8.73.

20/4/9

Sec. Please see draft on the docket below intended to let Mr S. know

To The Rev. Dept. U.O. No. 1056
20.4.99.

No. 14

OFFICE OF THE DIRECTOR OF
GOVERNMENT CINCHONA PLANTATIONS,

OOTACAMUND, 7th April 1899.

From

W. M. STANDEN, ESQ.,

DIRECTOR OF THE GOVERNMENT

CINCHONA PLANTATIONS,

Nilgiris.

To

The Secretary to Government,
Revenue Department,
Fort St. George.

SIR,

In September last, when framing the Budget Estimate of Expenditure for the year 1899-1900, a Sum of ~~Rs~~ 43750 was provided for the purchase of ℔ 200000 of 3½ % bark from private growers, and was sanctioned by Government in G.O. No. 1094 Financial dated 22 November 1898.

2. When the above Estimate was made, the unit in the London Market was quoted at 3/4 to 7/8 pence against 7/8 to 15/16 in August; German Quinine was selling at 9 3/4 d, and Howards brand at 1 sh per oz. The Stock of bark on 1st September 1898 was 20913 bales, against Stock of 20084 bales in 1897, and 23386 bales in 1896; the Shipments from Java during August were ℔ 1,047,000, against ℔ 697,000 for the same month in the previous year, and the Stock of Quinine in London on 31st August 1898 was 1,719,136 ounces against 1,386,896

ounces

ounces in 1897.

3. After due consideration of the above facts, which illustrate the position of the Bark and Quinine markets in September, it was considered that no grounds existed for anticipating any marked rise in the price of the unit, and it was thought that it would be safe to estimate the value of the unit for purchases to be made in April 1899 at 1 penny.

4. At this rate 3½% bark is worth 3½ annas per lb and a sum of Rs 43750/- was therefore provided for the purchase of 200,000 lb.

5. The last bark Sale held in London in 1898 was on the 13th December, when the unit was quoted 15/16 d to 1 penny, and at the Sale on 24th January 1899, which shewed a weaker tone, the price of the unit was about the same, viz 7/8 d to 1 d. A Sudden and totally unexpected Shortage of Shipments of bark from Java set up the price of the unit at the February Sale to 1 3/8 pence, and at the Sale held in London on 28th March, the unit was quoted (according to Reuter's telegram) at 2¼ pence, a figure which it has not reached since 1888.

Arrangements for the purchase of the bark required for the year were made in January, and early in February, and it was then stipulated that the unit rate ruling in the London Market at the April Sale should form the basis on which payments would be made. This Sale will be held on the 25th Instant, and as the latest advices report continued Speculation in Quinine, there seems little prospect of any decline in the price of bark on that date, while it is possible that there may be a further rise. Assuming, however, that the unit is quoted at 2¼ pence on the 25th April, and that exchange is at 1-4 s. d., the cost of each pound of 3½% bark will be 7.875 annas and the 200,000 lb of bark already purchased will cost Rs 98437-8-0, or Rs 54687-8-0 in excess of the Budget provision.

7. A formal application for an additional grant will be made, in due course, when the actual requirements are known, but as I shall probably be away when news of the April Sale arrives, I have the honor to bring this matter to the notice of Government.

I have the honor to be,
Sir,
Your Most obedient Servant,

Wm O'Sullivan

Director.

When given for copying _____
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When signed _____

READ AGAIN G.O., No. , DATED
189 .

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT	A	A	A	A	A	A	A
LETTER OF GOVERNMENT							
STATEMENT WITH DITTO.							
PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.							

N.B.—
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Revenue Department. — do —