

Ed^l (1915) Department.

mis SERIES.

G.O. No. 1036 Ed^l

DATED 21-9-15

[Despatch Abstract.]

Account Communicating to the
Director of Industries the report
of inspection notes of his account
by the Accountant General and
requesting him to adopt the
suggestion made by the
Accountant General

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PUBLIC WORKS DEPARTMENT.

500-19-3-15.

CURRENT No. _____

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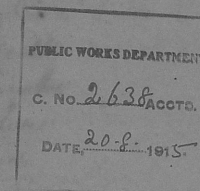
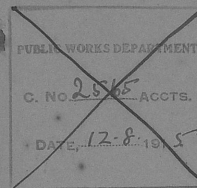
U.R. Clerk ...

Referencer ...

Record Superintendent.

Drafting Officer ...

Subject.



No. 318. C.O. 9581

Station _____, dated the 11th August 1915.

From

K. L. DATTA, Secy. Mr. R. S. S. P. & S.

The ACCOUNTANT-GENERAL,

To

~~The CHIEF ENGINEER~~
THE SECRETARY TO THE GOVERNMENT OF MADRAS,

PUBLIC WORKS DEPARTMENT.

SIR,

With reference to G.O. No. 264 W dated 6th February 1915
I have the honour to forward herewith for the information and
orders of Government, the report of Inspection of the accounts
of the Director of Industries by Mr. R. Srinivasa Ayyar, M.A.,
Deputy Accountant-General.

I have the honour to be,
Sir,
Your most obedient servant,
Deputy Accountant-General.

8th 12/8 SAC 1915

Enclosure to Accountant-General's Letter

No. , dated 191 .

REPORT

OF

INSPECTION

OF

Office of the Director of Industries

BY

MR. *A. Srinivasa Iyer, M.A.*AT *Madras*FROM *9th* TO *11th June '15.*

Serial
number.

Irregularity or defect brought to notice

Executive Engineer's
Treasury Officer's explanation.

1

2

3

Boring and pumping operations, workshops, general stores and tools and plant are accounted for in the P. W. D. In 1914-15 the construction of a sawmery at Washermanpet was also accounted for in the P. W. D.

1. The expenditure on boring and pumping opera-
tions should be accounted for against specifically sanctioned estimates and the expenditure on general stores should be recovered against the reserve stock sanctioned by Government.
The workshop charges should not be dealt with as final charges, but taken to a suspense account which should be opened for the purpose, the account being relieved of the charges when the works concerned are debited.
Brought to the notice of Government.

Submitted that the Govt. should be told to adopt the procedure suggested by the Govt.

2

The Cheque books are in the custody of the Cash Clerk. They should be in the personal custody of the Director. Vouchers 151 & 152 of May 15, Vouchers 153 to 160, 163 to 165, 168 to 171 & 173 of June 15 appear to have been paid without a pay order of the Director. No payment by Cheque or Cash should be made except on the pay order of the Director.

3

Receipts and payments are entered in a general cash book. These are further copied in 3 separate books for lighting, pumping and workshops respectively.

5

2. The Cheque books should invariably be in the personal custody of the Drawing officer. Vide para 1011 of the P.W. Code and payments only be made on the pay order of the Disbursing officer, para 1095 *ibid*.

Brought to the notice of the Director.

3.

The maintenance of 3 books subsidiary to the general cash book is superfluous & entails unnecessary clerical labour.

The Registry of Revenue (324) already furnishes the receipts and disbursements and pumping operations while the abstract of receipts and disbursements.

11

In 1914-15 the process of expenditure and receipts under the head 'Boeing' was No. 1367-4-11 and under the head 'Workshops' No. 38,537-3.3. Ordinarily the profits and losses in the P. & D. require to be reported but since the workshop charges are dealt with as final charges instead of a suspense account, the profit or loss does not appear in the compiled accounts submitted to the audit Office.

records expenditure separately under each head.

This has been brought to the notice of the Directorate.

4. Boeing and pumping operations, jobs in the work shop and the like where there are receipts as well as expenditure should be accounted for so as to show the receipts & expenditure separately and the consequent profit or loss.

It is quite incorrect to charge the net expenditure in such cases to final heads.

Orders of Government are therefore requested.

3/6

5

The Stores purchased for issue to Workshop Manufacture should be kept distinct from the Stores actually issued for Workshop jobs.

6

There is no record of the Stores being counted every year or half year, and the Store register itself is not continuous or complete.

The use of the P.W.D. form of Store register will be found to be of great advantage.

The Store bills should be completed by a note of the date of receipt of the Stores by the Store-keeper, before the bills are passed for payment. A bill for the supply of materials to the head office or to the factories or schools at such Stations should show, when and by whom, the materials were received. All the Store bills are defective in this respect.

7

(a) Sawmery building in Adashetmanpok.

There is an agreement with the Contractor, Mr. Saminada Pillai for the execution of this work, but

5

The need for this differentiation has been impressed on the Director.

6

A complete Stock register in P.W.D. form no. 13 should be maintained. The register may comprise transactions for a whole year, instead of for a half year. The Director has been asked to attend carefully to the other points noticed in the report.

7

The expenditure on the sawmery building should be accounted for by

The bills do not appear to have been checked with reference to the agreement. In fact the office does not seem to have been aware of the existence of the agreement itself.

The rates in the bill are however found to be the same as in the agreement. Certain items of work carried out by the Contractor are not in the agreement. Amount of estimate is Rs. 35,500. The expenditure to end of April 1915 was Rs. 35,339. The expenditure is not posted by Sub. heads.

It is not known whether there are any materials at site of the work.

(b) The Contractor's bills and work establishment bills (No. 54 in all) show that expenditure has been incurred on the maintenance of a garden and of a garden establishment in the Veterinary Compound. Such charges are not ordinarily admissible as P. w. charges.

(c) All Vouchers below Rs. 10 are reported to have been destroyed.

(d) Deposits at Rs. 1 to 2 per drum are paid to the Indian Petroleum Coy. No account is kept of these payments.

Sub. heads. The expenditure of Rs. 54 for the garden should be specially sanctioned by Government.

(e) The expenditure of Rs. 54 for the garden should be specially sanctioned by Government.

Vouchers below Rs. 10 are, under the rules of the P. w. Department, to be filed in the Disbursement office.

In March 1915 the payment on this account was Rs. 388 out of which only Rs. 260-8-0 were deducted by the Company themselves from their subsequent bills of the same month leaving Rs. 147-8-0 still due from the Company. There is no record or watch of these dues.

8 Expenditure in the civil works materials paid for on contingent bills or on bills for supplies or services are not accounted for

9 Amounts due to the workshop are drawn in cash on bills from the treasury instead of being adjusted in transfers.

10 In March 1915 Rs. 9950 and Rs. 30,000 were advanced for oil mill and machinery which were ordered from Europe by a local firm at the request of the

They are not required to be submitted to the audit office.

They are not, however, to be destroyed.

The payments for supply drums should be debited to a "Miscellaneous advances"

Brought to the notice of Government.

8 The Director has been asked to open a stock account showing the receipt and issue of materials.

9 The Director has been asked to discontinue cash payments at once.

10 This is a serious irregularity. The Director has been asked for

Director. The oil mill for which Rs. 30,000 was paid, has not yet been received. These advances at the close of the year are specially irregular.

11 I saw the Director's memo No 9 dated 3.3.15 accepting the resignation of Mr. Dubet, the German pencil specialist, it would appear that the Director passed Mr. Dubet's pay 'in full as an act of grace'.

The Director also said: As Mr. Dubet has resigned his appointment before completing the terms of his appointment it is presumed that he does not wish to apply for a bonus and Government are being informed accordingly.

This was however, not reported to Government and the bonus of Rs 500 sanctioned in Government No. 341 BdL dated 24 March 1915 was paid to Mr. Dubet.

(Ld) R. Srinivasa Iyer,
Deputy Accountant General

further explanation on receipt of which Government will be addressed.

11. This is also a serious irregularity. The bonus was paid by this office on the authority of G.O. No. 341 Educational dated 24 March 1915.

The Director has been requested to furnish further information on some of the points connected with this question.

For in witness whereof
Deputy Accountant General

Superintending Engineer's
Collector's remarks.

Dy Accountant-General's remarks

Orders of Government
Accountant-General.

4

5

6

Cro 2638 Accts. From the A.C. No 318 C.O 9581
dt 11.8.15

Inspection Report on the
accounts of the director
of Industries.

S.S.

Please see para 3 of the minutes
on p.1 of the notes sketched with
Co. No 264 W. dt 6.2.15. The current
notes above, may be transferred
to Educational U.O. for disposal.

Plab
23.8.15

Cell up



Educational Department

A draft order is submitted for
approval. As the ~~account~~ draft
report deals with the accounts
of the Pumping & Boiling section also
the draft may be sent to the
Revenue Dept. for acceptance.

Stk
30.8.15 CA
31.8.15

131

P.W.O. No. 2638 Ac-1
27.8.1915

Cro 2638 Ac-1
27.8.15



The report is not a very satisfactory one.

The transactions with Mr. Lüber are rather characteristic. Mr. Tressler found this anti-English naturalized German on his beam ends in a Madras hotel, paid his debts and quite irregularly created an appointment for him on Rs.10 a day promising with profits of the pencil factory, of which however he assured him there would be none.

Government sanctioned the appointment in P.O. No. 98, Educational, dated 1st February 1915.

Mr. Tressler, again without sanction, raised the pay to Rs.1,000 for three months' work and Rs.10 a day for any period in addition, to which he proposed to add a bonus of between Rs.1,000 and Rs.2,000.

At this stage (28th January 1915) he found that Mr. Lüber had done his work in a very intelligent and thorough manner. He likewise gave Mr. Lüber

travelling allowance for joining his appointment without sanction. Government sanctioned this and a bonus of Rs.500, though such a bonus can only be granted for work which is of such exceptional merit or of such an arduous or peculiar nature as

page 13 of 12. 12. 9525¹³
1. 2. 15- (X)

page 10 of 12. 12. 34125¹⁴
24. 3. 15- (X)

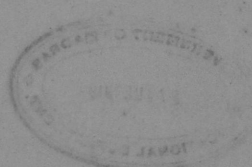
para 2 & 7, page 4 & 3
of 12. 12. 341 (X)
24. 3. 15- (X)

para 7, page 3 of 12. (X)
24. 3. 15- (X)

para 3, page 13 of 12. (X)
24. 3. 15- (X)

12. 341 (X)
24. 3. 15- (X)

para 12 (2) of Introductory
on page 4 of 12. 479¹⁵
2. 8. 12 (V)



② 2.5.15
22.5.15

③ 2.5.15
22.5.15

④ 2.5.15
22.5.15

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⑥ 2.5.15
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⑩ 2.5.15
22.5.15

page 2 of G.O. No. 545 (R)
22.5.15

Item 11, page 7 of
the Audit report in the C.F.

Mr. Tressler's O.P. on page 9 & 10
of note to G.O. No. 2036
28.8.15 (S)



Colno 29657
13.9.15

CURRENT NO.
5619
FINANCIAL

Read 16.9.15

to justify a special reward. At a later stage (27th April 1915) we learnt that the graphite produced by Mr. Lüber was unsatisfactory and it now appears that before the bonus was paid, viz., on the 3rd March 1915, Mr. Tressler had decided to withdraw his recommendation for the same, but failed to do so.

In the matter of grants Mr. Tressler shows an equal generosity. He offered Mr. Bawden of the Kavali Criminal Settlement a grant out of educational funds in order to help him buy a motor tractor. When asked to explain, he said that the settlement was a "factory school" in which the "pupils", i.e. the criminals, worked under practical conditions. Such a process of argument would enable him to give grants to any institution.

I have added a paragraph calling his attention to the necessity for a strict observance of account rules.

13.9.15

H. P. The Governor (through Finl)

Financial Department

This is the first report of inspection of the accounts of the Director of Industries - vide G.O. 264 W & 2.15.

The draft order may, it is submitted, be accepted in Financial.

DAS

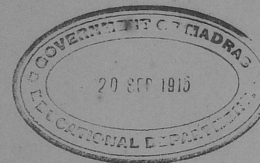
15.9.15

CPM

16.9.15

It looks as if the account badly needed revision.

J. *[Signature]*
21.9.15



File no 5619-1
20.9.15

Accepted
[Signature]
20/9

72 Sol. n.o.



Ed. Depart.

For orders as to circulation to H.E. the Governor.

CR
20/9/15

The order is approved by H.E. the Governor

(by order)

88

21.5.15

[Signature]

” ” ” ” ” 191

C. No. 2965 From the A-4, No. 31866 dated 11. 8. 1915
9581

No. 1036 *Vol. mis* dated 21. 9. 1915

Mis

The report of inspection of the accounts of the Director of Industries received from the Accountant-General is communicated to the Director & he is requested to adopt the suggestions made against items 1, 4 b, and 7 (a), (c) & (d) of the report. He is also requested to address Govt. separately for sanction to the expenditure on the maintenance of a garden in the compound of the Dehra

page 5 of the report
in C.F.

page 107 of the report
in C.F.

To

The D. I. (S)
in A.G. (S)

Sent
29.8.15
29/9/15

17
Leather School & Tannery referred to
in item 7(b) of the report and to
explain the necessity for the same.
2. The further communication
from the A.G. in regard to
item 10—payment of advance
for the oilmill—will be
awaited.

8th 30.8.15. 3. The attention of the
Director of Industries
is invited to the
necessity of a strict discharge
of the account when. This
was conspicuously absent in
his dealing with Mr. Hives

8

11.9.15

[Faint, illegible handwritten text, likely bleed-through from the reverse side of the page.]

When given for copying _____
 When copied _____
 When examined _____
 When signed _____

191 .

READ AGAIN G.O. No. _____
 191 .

DATED

CURRENT No. _____

ENCLOSURES TO C. No. _____

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH RETTO.

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 IN ORIGINAL.

S.E.—
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