

Ede (1915) Department.

His SERIES.

Item 13(b)

G.O. No. 1303 - Ede

DATED 29. 11. 15

[Despatch Abstract.]

Accounts

Passing orders on the objections raised by the Act General to certain items of the expenditure incurred by the Director of Industries.

1,6 -10-3-14.

EDUCATIONAL DEPARTMENT.

Received



Registered

39791

1915

Subject.

ENCLOSURES.

No.

one

Spare copies

No. Try PA. - 13083

FORT ST. GEORGE, MADRAS,

Dated, the 29th of September 1915

FROM

K. L. DATTA, Esq., M.A., F.S.S., F.R.E.S.

ACCOUNTANT-GENERAL, MADRAS,

TO

THE CHIEF SECRETARY TO THE GOVERNMENT OF MADRAS,
Educational Department.

SIR,

In continuation of this office letter No. 318 C.O. 9581 dated the 11th August 1915, addressed to Government in the Public Works Department I have the honour to forward herewith, for the information and orders of Government, an extract of paras 11 and 12 of the Report on the Inspection of the accounts of the Director of Industries by Mr. R. Sreenivasa Ayyar, M.A., Deputy Accountant-General, with a copy of the Director's letter No. A. 13 dated the 30th August 1915 furnishing

Remitted
pay off 1036
21.9.15
2

pay 5-6
infra

x vide col: (C)
m pay 5-6
infra
SK

furnishing his explanations thereto.

2 I beg to express regret that the Director's disposal of these matters has not been helpful or calculated to facilitate the work of audit and adjustment. The matter is too serious to be brushed away laconically. The Director was asked to explain why he made the payments before receiving the articles but the Director's explanation concerning the causes of the delay in the delivery of the articles is -- completely beside the point and does not even attempt to justify the irregular payments made by him. His reference to Mr. Lloyd George is quite irrelevant.

3 In G.O. No. 158 Edl. dated 13th February 1915 Government sanctioned the proposal of the Director to purchase certain oil machinery and said that they were prepared to provide for an expenditure of Rs 50,000 on this account in the current year. Government did not authorise any advance to be made on this account [nor was there any authority for purchase direct from England.] On the other hand the Director in his letter No. 112 dated the 28th January 1915 on which above order was passed, distinctly said that two of the machines which were estimated to cost Rs 25,700 were ready for "immediate" delivery while the third one would be delivered in March/April.

4 The necessary funds were allotted in G.O. No. R. 93 Financial dated the 22nd February 1915 and bills, as -- indicated in the "margin, were presented to and paid by "

Bill for	Date	Date
Rs.	of pre-	pay-
	sentation.	ment.
	tion.	
9950/-	20-3-15	
30000/-	23-3-15	25-3-15

The charge for Rs 9950 was supported by a stamped receipt from Messrs Marshall Sons & Co., Ltd., in "full payment of P.F. Invoice No. 1 for Engine and Boiler ordered." While the other claim was supported by a stamped receipt given by the same firm for "part payment of P.F. Invoice No. 2 against "complete oil mill ordered." It was subsequently discovered by the Inspecting Officer that

The Director of Industries is an officer who can for experimental research purposes obtain stores from England - p 39/2/15

that none of the machinery had been delivered. As regards the first the Director explained personally to the Inspecting Officer that it was available at the time of payment but that he allowed it to remain with Messrs Marshall Sons & Co., as he could not himself take delivery for want of accommodation in his shops. Considering that administrative urgency was urged for the purchase, this delay in taking delivery is not clear and Government would doubtless consider the expediency of large capital outlay on the score of urgency when its utility after the purchase is held in abeyance.

5 As regards the second machine the Director does not say when he expects delivery of it.

6 I venture respectfully to submit that the history of the case suggests that both the payments were nothing but advances made to secure the grant from lapsing on the 31st March 1915. The advances appear also to have been made without any guarantee against loss to Government such as is required under para 789, P.W. Code, Volume I. If as the Director says he thought his intention to order the machine from home was known and accepted by Government, I would respectfully submit that it is not within the competence of Government to sanction such a course and that the irregularity will have to be condoned by the Government of India and reported to the Secretary of State. Vide the preamble to item (k) Appendix BBBB, C.A.C., as corrected by the 2nd list of corrections.

7 As it appears that on account of war conditions the machinery for which the advance of Rs 33,000 has been made is not likely to be delivered in the near future, I would request that the Director of Industries may be ordered to recover

* The rule in P.W. Code does not apply to civil dept.

ex-shoes rules w/ 528 filed 12-3-13

Rs 30000! Please see previous p.

recover the amount and refund it into the treasury as early as possible. I propose to mention this irregularity in my Appropriation Report which is under preparation.

8. As regards the irregularity noticed in para 12 of the Inspection Report, I am not aware whether Government were kept fully informed of the Director's action. On the facts disclosed during the inspection, this office was, I submit, within its sphere in asking for explanation in the further elucidation of the matter and it was necessary to get such an explanation before I could decide whether the case should be reported in the Appropriation Report to the Comptroller General.

9. I have the honour to ask that I may be favoured with the early orders of Government on both the points raised here as the Appropriation Report which is due presently is nearing completion.

I have the honour to be,

Sir,

Your most obedient servant,

K. L. Datta

Accountant-General.

This has not been mentioned in the advance copy already sent to Govt.

Re payment of money to the oil mill. Vide order passed in No. 1036 D.O. 21.9.15 2 (para 3)

Explanation of the Director of Industries

(This letter no: A 13 D. the 30th August 15)

(3)

no: 102 D. So far as I can understand, these remarks seem to be based on an incomplete grasp of the character of the transaction. I tried to explain matters to the Deputy Accountant General (C) personally, so as to avoid unnecessary references, and I have, I think, added nothing to add to the observations I then made. It must, however, be clear that as the grant for the oil mill was sanctioned only asked for at the end of January 15 and sanctioned Rs 30000/- in the middle of February 15, there can be no possible suggestion that the payment made was "an expedient" to rescue the grant from lapsing. No Engineer would expect an oil plant to be ready for immediate despatch and I think Government were quite aware of this when they sanctioned the grant. The plant was required to relieve an urgent situation and in my opinion the sum was placed at my disposal so as to get the earliest possible delivery. I accordingly took such steps as I considered would effect this object and one of these was to pay advances. The delivery of the plant was promised three months from acceptance of the order. Complete delivery has not been effected as yet. For this Mr Lloyd George is to blame, as he has seized all the work for munition purposes. The circumstances about the plant are such that it might be said that the plant was not ready for immediate despatch and I think Government were quite aware of this when they sanctioned the grant. The plant was required to relieve an urgent situation and in my opinion the sum was placed at my disposal so as to get the earliest possible delivery. I accordingly took such steps as I considered would effect this object and one of these was to pay advances. The delivery of the plant was promised three months from acceptance of the order. Complete delivery has not been effected as yet. For this Mr Lloyd George is to blame, as he has seized all the work for munition purposes.

P. T. O.

Irregularity or defect brought to notice by the Inspecting Officer (By Acct General P.W. Branch)	Accountant-General's Remarks (Vide this office letter to the Director, no: 9594/TyPA dated 11 th Aug '15)	Explanation of the Director of Industries (His letter no: A.B.D. the 30 th August '15)
12. From the Director's memo no: 92 the 3rd March '15, accepting the resignation of Mr. Duber, the Government Pencil Specialist, it would appear that the Director passed Mr Duber's pay "in full as an act of grace". The Director also said "as Mr Duber has resigned his appointment before completing the term 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 G.O. 341/Edl dated the 24th March '15 was paid to Mr Duber	This is also a serious irregularity. The Bonus was paid by this office on the authority of G.O. 341/Edl dated the 24th March '15. The period of Mr. Duber's employment on a remuneration of Rs 10/- per day, was fixed at a maximum of 6 months in G.O. 98 Edl Misc dated the 1st February '15. Wages were drawn for him by the Director accordingly from 23rd October '14 to 4th March '15, supported by the Experts receipts in acknowledgement. It is not clear why in his memo dated the 3rd March '15, accepting the resignation of Mr. Duber, he should have stated that he passed the Experts pay "in full as an act of grace". It is not also clear why in the face of this observation made on the 3rd March '15, he proposed later in a letter dated the 22nd March '15 the revision of Mr Duber's pay for the entire period of his employment, an arrangement calculated to enhance his remuneration by Rs 80/-. Similarly, in regard to the bonus of Rs 500/- it is not apparent why Government were not informed of the presumption expressed in his memo dated the 3rd March '15 on record in his office, that Mr Duber did not wish to apply for a bonus which, on being sanctioned by Government in their order no: 341/Edl dated the 24th March '15, was nevertheless drawn and disbursed by him on the 27th March '15.	My correspondence with my subordinates not subject to the Accountant General's criticism. Government were kept fully informed of my action. Here again, to avoid unnecessary references, I explained matters to the Deputy Accountant General (P.W.D.) during his visit, but if this is not enough, I do not feel myself called upon to offer official explanation to the Accountant General regarding my administrative work. (True Copy tract)

Reg 14

Acct - Genl's office,
Fort St. George,
28th Sept '15.

Mate & Aml
Supd, G.S.P.A.D.

Accountant General's Remarks (Vide this Office letter Director, No: 9594/T.M.P.A dtd 11th August 15)

11. In March 1915, Rs 9950/- This is a serious irregularity. From the Director's letter and Rs 30000/- were the 28th gaugits with reference to which the sanction conveyed advised for oil-mill. No: 158/2dl dtd 13th Feb 15 was accorded, it will be seen mill and machinery in Germany, he asked for immediate orders, so a which were ordered telegraphic instructions for the supply of the machinery from Europe by a that the prices reported by him to Government had been local firm at the in reply to telegraphic enquiries. When he sent the request of the Director bills dtd 20th March 15 and 22nd March 15 for Rs 9950/- The oil-mill for respectively, supported by Marshall & Sons' Stamped rec which Rs 30000/- were words "ordered" occurring in the latter were not to paid, has not yet mean "ordered" by the firm but not delivered, but been received. These by him in February 15, i.e., a month earlier. There are advances at the to show that the payment was a clear advance close of the year against a supply to be made on some future are specially The fact, however, that the oil-mill for which a irregular. Rs 30000/- was paid in March 15, had not been received June 15, discloses the fact that the payment was an advance and, as such, is opposed to the provisions Art 84A C.A.C., as it is tantamount to the withdrawal from the Treasury of money before it was needed for. Considered from this point of view, it would be necessary it to be made clear that it was not an expedient to rescue the grant from lapsing on 31-3-15. The effect under which the amount of Rs 30000/- was drawn the close of the ^{official} year in the absence of any arrangement for the despatch of the articles from home simultaneous with payments here, may kindly be explained; also be reported whether the oil-mill under reference since been received.

Memo.

The Govt understand that in March last the Director of Industries made an advance of Rs 30,000 to Messrs. Marshall Sons & Co., Ltd, towards the purchase of an oil mill. It that the mill has not yet been received. The Director is requested to report at once what prospect there is of the early receipt of the machinery and, if there is none, what steps he proposes to take to recover the advance.

Stk 6.10.15. in March irregularly made
CR 5/10/15
6.10.15

Notes in

The D. S.

7/10

DEPARTMENT.

Received 15-10-1915 Registered 191

Subject.

Explaining the circumstances under which the money has been advanced for the oil milling machinery.

ENCLOSURES
No.
Spare copies

No. F1

Station, Dated the 14th October 1915

From (Name) K.T.B. Tressler Esq.,
(Designation) Director of Industries.

To The Secretary to the Government of Madras,
EDUCATIONAL Department.

Sir,

In reply to Government memo. 3356 Educational dated 6th October 1915, I have the honour to state that of the machinery ordered from Europe in connection with the oil experiment approximately Rs. 12,000/- worth has been delivered, another Rs. 12,500/- are, I understand, being shipped, and the forgings and castings for the remaining Rs. 25,000/- worth of machinery are ready, machining being done when possible in the intervals between munitions manufacture.

The plant was ordered at the end of February on the understanding that delivery was to be given within

12000
12500
25000
49500

SK

3½ months. Government are no doubt aware that oil plant is not stocked, and that in ordinary business circles an advance of about half the value of the order is usually demanded. It is true that a Government department is not compelled to give such an advance, but firms naturally give preference to orders towards which they have received payment, and in order to expedite delivery I followed the usual business procedure instead of demanding such special treatment as I might by further correspondence have secured.

A month after I placed the order the Suppliers were commanded by the war office. In the circumstances I think it extremely probable that if they had not held an advance they would have declined to complete the order, and it is more than likely that the war office would have stopped it altogether.

As it was, I immediately wired the Director-General of Stores asking him to use his good offices. The munitions department at first declined to make me any concession; but on further pressure by the India Office at my instance secured a promise that the work would be pushed on with as quickly as possible.

I then wrote to the firm and asked them to show reason why I should not cancel the order and put in a claim for damages for loss of business resulting from their failure to complete their contract. I also asked the India Office whether I could get any other makers to take on the work. The India Office replied that after careful enquiry they considered that it would be to my interest to let the original arrangement stand, they being of the opinion that no other firm could deliver plant. The firm itself replied admitting the liability but explaining that, under the munitions act, any claims for delays made against them would have to be paid by

Payment from other
dept to the dept of
Industries

Date of the letter
on page 11 of 5-2
N. 158 15/11/15

the state. As Government recently ordered me to keep book transactions down to a minimum, it seemed unnecessary to press the question further.

The Accountant-General has made a great point of this advance and I am therefore dealing with the case somewhat fully. As I have explained, the advance is of an ordinary commercial character; it was made because I considered that it was necessary in the public interest. I first submitted my proposals for oil milling machinery on 6th November 1914; they were sanctioned in the middle of February and I placed my order at the end of February 1915. Had I not made the advance I do not think the order would have been executed. Had I waited another month I am quite certain that the order would not have been accepted. Since the beginning of the war the price of machinery has gone up from 15 to 25% which on Rs. 60,000/- amounts to from 9 to Rs. 15,000/-. As matters now stand I ought to have had my plant running in July, I shall probably get it up 6 months late. I do not know how long the war will last, but orders for plant will probably not be accepted until sometime after the declaration of peace, and goods will not be ready for delivery for another 9 months after that.

The alternative before me was to use my discretion or run the risk of further delays which as events showed would probably have led to an increase of Rs. 9,000 to Rs. 15,000/+ in the price of plant, and of a delay of anything from 1½ to 2½ years in the supply.

I have the honour to be,

Sir,

Your most obedient servant,

Wm. J. ...
Director of Industries.

Again G.O., No.

, dated

190

Current No.

from the

, No.

, dated

190

Current No. 3356, from the

A.G.

, No. 13083, dated 28. 9. 1915.

SUBJECT.

Report on the inspection of the
accounts of the Director of
Industries.

The Accountant-General's letter
in the current file deals with two
~~particular~~ items of expenditure
incurred by the Director of Industries,
viz., purchase of oil machinery
& grant of bonus to Mr. Luber.

2. Purchase of oil machinery.

- (H) In G.O. No. 5280; ^(dated the 16th January 1915) the Director of Industries
was asked to undertake experiments
with the production ~~in the manufacture~~ of oil from
seed and ~~had~~ a sum of Rs 1 lakh
was sanctioned for the purchase
of the necessary machinery
+ other expenses connected with
the experiments. In reply to a
telephonic message issued from
the Financial Dept. on the 18th
January 1915, the Director stated

that half of this sum would be spent before the 31st March 1915 and the balance in 1915-16. According to a sum of Rs. 50,000 was provided ~~in the Revised Estimate of 1914-15~~ ^(in 1914-15) for expenditure on oil experiments.

page 2 of G.O. No. 158
18/2/15

3. In his letter, dated the 28th January 1915, the Director requested sanction for the purchase of a few mills with accessories for the manufacture of oil. In it he stated that he expected to obtain immediate delivery of some of the ~~new~~ machines, while in regard to the others he expected delivery in March-April.

IV In G.O. No. 158 Est., dated the 13th February 1915, the Govt. sanctioned the purchase of machinery costing Rs. 92,000. ~~to be paid in the Director~~

115,775
- 23,775 (cost of colonial mill)
92,000

4. From the present letter of the Accountant-General it appears that in respect of oil machinery costing Rs. 39,950, the Director had arranged for payment ^(before the 31st March 1915) ~~to be paid~~ ^(which) ~~he~~ had not actually received the money.

The Accountant-General objects to the transaction on two grounds (i) that the Govt. did not authorize any

page 2 of 3 of G.O.

any advance to be made¹¹ on account of the purchase of the machinery; and

(ii) that the Director had no authority for purchase direct from England.

With regard to the latter objection, it is submitted that the whole expenditure is for an experiment, and the Director of Industries is one of the officers who are authorized to obtain direct from manufacturers or dealers in England, America, Japan or any other foreign countries such articles ~~as they may require~~ as they may require for experimental or research purposes. This point was^{only} noticed by Govt. when Mr. Trevelyan's proposals for the purchase of oil machinery were under consideration. Perhaps, the Account General does not ~~then~~ consider the machinery as being required for an experiment. He may be informed that the whole scheme is experimental & that the Director was therefore competent¹² to purchase the machinery direct.

5. The other objection raised by the A.G.

Please see Rule 7 (iii)
on page 30 of G.O. No. 548 dated
12.8.13
+ also Appendix R.R.R.
of C.A.C. Vol. I. page 305.

Please see Finl. Deptt.
note on page 30 of notes
to G.O. No. 158
13.2.13

Please see Col. 3 of
Statement on page
5 of cf.

R

page 2 of 4. ¹⁰¹⁵⁸ 13. 2. 15

id. 2 of 4. av. 2. dnd.

col. 3 of page 5 of cf.

A.G. seems to show that the Director did not pay much attention to the account rules. The explanation furnished by Mr. Treacher ^{does not seem} ~~to be~~ ^{altogether} satisfactory. If advance payments were necessary, he should have reported the matter to the Govt and obtained their approval. In his letter of the 28th January 1915, he proposed to place telegraphic orders with the firms. This would lead one to expect ~~the~~ delivery of the plant ~~to~~ before the end of March. Further, his ~~letter~~ statement that "immediate" delivery was expected in the case of two mills was misleading. In his explanation he states that the Govt were aware of the fact that immediate delivery was not possible. With regard to this, it is submitted that though immediate delivery ~~or~~ was not contemplated, still the Govt were not ~~at all~~ aware that advance payments would be made for machinery which was not to come before the end of March. It is not known what

14

13

Steps should ^(must) be taken by Govt. to regularize the payment. The Financial Dept. may ^(it is submitted) be consulted on this point.

pages 3+4 of cf.

6. The A.G. further points out that the amount of the advance for machinery, which ~~was~~ has not even now arrived + which is not likely to arrive in the near future on account of the war conditions in Europe, may be ordered to be recovered ~~the amount~~ from the firm + refunded into the treasury. It is not known when Mr. Trevelyan expects the machinery + whether it is not now too late to effect a recovery of the advance. On this point, a reference may be made to the Director.

7. Grant of bonus to Mr. Daker

The A.G.'s objection under this head viz., that the Director did not inform Govt. of his intention to withdraw the recommendation for a bonus, has already been considered by Govt. The A.G. may perhaps be informed that the Govt. sanctioned the bonus on account of the work

pages 9 + 10 of order
Gr. No. 10360 (2)
21.9.15

work done by Mr. Luber + also with a view to extinguish any future claim to profits.

8. The file may, it is submitted, be sent to the Financial Dept. with reference to para 5 above.

SK
2.10.15
3.10.15

First ask the Director to report at once what progress there is of the early receipt of the machinery in respect of which the advance of Rs 30,000 was made and, if there is none, what steps he proposes to take to recover the advance.

Get never allowed him to make the advance and he was bound to adhere to the account rules in the absence of orders to the contrary.

4.10.15

A draft memo is submitted for approval.

SK
4.10.15
5/10/15

4.10.15

[Memo No. 3356-1 Ex. 8 of 6.10.15]

CM 35-38. From the S. I. No 19, 14.10.15.

page 7 of 9 of c.v.
page 6 of c.v.

page 7 of c.v.

par, 7 cf.

The Director of Industries submits his reply to memo M. 3356-1 Est., dated the 6th October 1915, regarding the advance of Rs. 30,000 made by him for the purchase of ^(oil) machinery in March last. ~~The reply~~
~~It shows that machinery worth Rs. 49,500 was ordered by him (from England) and that so far only Rs. 12,000 worth has been delivered + that Rs. 12,500 worth is being shipped. It is not stated whether the sum of Rs. 30,000 is in respect of the whole of this machinery. Presumably it is, but it is not stated. It is perhaps too late now to recover the balance of the advance as the firm is said to be manufacturing the machinery. The delay seems to be due to the fact that the manufacturing firms are controlled by the Munitions Department. In these circumstances~~

the only course seems to be to issue an order sanctioning the payment of the advance with the concurrence of the Financial Department. There seems to be no question that the exigencies of the case were such as to justify the advance; but the point is that Mr. Treasurer should have explained these circumstances to the Govt. and secured their sanction before making the advance.

2 A draft order is submitted for approval. It may be sent to the Financial Dept. for acceptance.

Stk. CR
23.10.15. 23.10.15

14p57-9C.F.

Mr. Treasurer's defence, that the act was of an ordinary commercial character and made in the public interest and that he had to use his discretion is beside the point. He is the head of Govt. Dept. and he must abide by Govt. rules. Article 84 A C.A.E. says "no money shall be withdrawn from Treasury unless it is required for..." It is not he...

It is not he...

of the P. W. D. Code
alone to make advances to contractors
and that only in very exceptional cir-
cumstances and after taking precautions
to prevent loss. These articles were un-
doubtedly infringed. 17

para: 4 (ii)
of the
same.

2. At the same time, since the
purchase was for an experimental,
it does not seem necessary to wear
the Govt of India to ratify the Director's
action.

A.M.
C.F.

Rs. 1036 2/2
21.9.15

3. I don't think it would be wise
at this stage to attempt to recover
the money as the Accountant General
advises.

533-1
29.10.15

4. The case of Mr. Kibber has already
been dealt with. The Accountant
General was quite right in bringing
to notice that Mr. Tucker, having
recommended a bonus in January,
decided to withdraw his recom-
mendation in March, but failed
to do so.

Draft for acceptance

Fin. A.O.

CURRENT NO.
6731
FINANCIAL

6731. 85
27.10.15
Regd. 2
11/10/15

For A.S.

Financial dept

Of the two transactions relating to the dept of Industries viz (i) Purchase of oil machinery and (ii) payment of bonus to Mr Lusher the irregularities about which are brought now to the notice of Govt, the second has already been dealt with by Govt and Educational consider that no further action is necessary beyond referring the A.G. to the orders already passed. This need not be submitted, he objected to.

2. As to the first transaction, there are several points connected with it which the A. G. characterizes as irregular and these are briefly examined below:-

(a). Obtaining of the oil machinery direct from England. As pointed out by Edl the A. G. is wrong in his views about this point. The Director of Industries has power to order direct from the manufacturer for stores required for experimental purposes and Govt were aware of this when the machinery in this particular case were ordered for.

3. (b) Advance payment made by the Director of the cost of the machinery. This is the

* Para 8 on p 4 C.F. 3 cdo. on p 5 (a) C.F.

① Manual in Staff. on p 7: pp 9-109 notes + para 3 of order in go. 1036 Edl. 11.9.15 Z.

Para 11. on p. 9 ante + para 3 of draft.

Para 3 + para 6 on pp 1-3 of C.F. + para 4 on p. 3 ante.

p 3 ante

D.

* Rule 7 (iii) + App A on pp 3 + 6 of go. 548 12.8.13

Full dept note. 9.2.15 on p. 3 of notes to go. 158. Edl 8/13. 2.15 H. N.

3. Column of Staff. on p 5 of C.F. paras 3-7 on pp. 1-4 C.F. and Mr Trevelyan's letter on pp. 7-9 C.F.

Chief irregularity committed by Mr. Tressler. He ~~was~~ ^{was} irregular in not

having obtained the sanction of Govt. to this advance payment - vide para 5 on pp 3-4. ante; and this dept. may agree with Educational that he should be warned for this irregularity. The sanction of Govt. has been obtained in the past to such advance payments made in other depts vide instances cited in the margin.

Mr. Tressler's letter on pp. 7-9 of C.F. clearly shows that this advance payment was not a mere device to rescue the grant from lapsing in 1914-1915 and it is presumed that Edl. will communicate a copy of this letter to the A.G. so as to set at rest the latter's doubts on this head.

4 (c) Recovery of payment made to the firm.
In view of the advice given by the India office - vide at K on p 8 of C.F., the proposal of Edl. not to order recovery from the firm may be accepted in full. The draft will have to be added to so as to contain ^{the} decision on this.

Edl. Secy's note on pp 8-9 and draft order.

(1) G.O. 3822 Rev 23.12.1912 (XII)
The Rev. G.O. is tagged thereto - which sanctioned advance payments to Ponn & Co. of Calcutta for construction of fishery vessel.
(2) G.O. 620 Rev 29.3.1915
(VII) re. plant for fishery depts

Para 7. on pp. 3-4. C.F. & pp 8-9 of C.F.

para 3 on p 9 ante.

[Signature]

point. The draft may, it is submitted
be otherwise accepted in full.

Ch.
8/4/15

I do not think the tone
of Mr. Tumbler's replies to
the A.G. was quite proper. It
is ^{the A.G.'s} duty to make inquiries of
this nature, and although
heads of departments might not
appreciate such inquiries I don't
think they should be permitted
to choke him off as Mr. Tumbler
has.

C.S.
d. 11.15

Mr. Tumbler is ignorant of account
rules but that is no reason for adopting an
impertinent tone to the A.G. when that
officer properly drew his attention to irregu-
larities. I would make some reference to
this want of politeness.

2. I am doubtful whether para 2 is correct.
It is questionable whether "Articles for
Experimental or research work" cover large
machines required in connection with
Experiments. I think there was an implication
in direct purchase.

3. I do not think para 3 will satisfy the

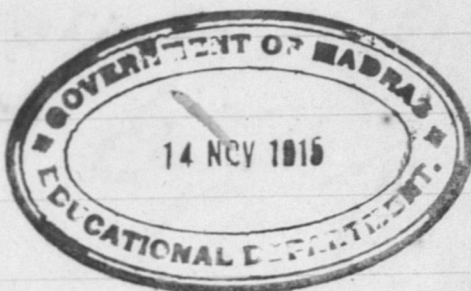
Vide col. (3) on
pages 5, and 5(a) C.F.

Rule 7(11) in para 3 of
R. 548 Final 8/12.8.13
Key D.

Sp. No. 525-251, 22.5.15
is submitted (441) (E). This
Sp. does not deal with the
point. Sp. No. 103625, 22.9.15
is the one referred to apparently.

Final u.o. 6731-1
12-11-15

F. A. Edin



Educational Department

Submitted to the Secretary.

CA
14.11.15

M^r Kenhaw has kindly put
up a draft covering the whole
case. Will the C.S. accept this?

20.11.15

Fin! u.o.

I would invite special
attention to para 4 of the draft
which is not quite in agreement

N with C.S.'s note. Govt. however
were aware that Mr. Turner
was in direct communication
with manufacturers and that
he proposed to purchase from
them. The point was noticed
in final but no exception was
taken to it. Govt. approved Mr.
Turner's proposal on G.O. No 158 Educ
d/ 13. July 1915.

N/3 note

N/3 comm

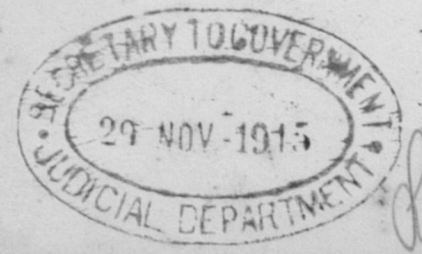
CS. 8812-
20-11-15

I am still doubtful whether Rule 7 (iii)
refused to in para 4 can be pleaded
but the A.C. can protest if he likes.
The draft seems quite suitable -
H.M. Fin! had better see.

MS
20/11

Educ do

Final a.o. 6731-2
20-11-15



Educational Depart
For orders as to circulation.

Ca
23-11-15

H.E. the Governor

26. 11.

H.M. Financial

MS
28/11
20-11-15

[6.]

10,000-17-12-06.

Educational DEPARTMENT.

READ

24
23
CN. 3356. From the A.G. No. Jy P. A. - 13083;
928. 9.15.
3533. From the D. I. No. 71, d/14.10.15.

ORDER No. 1303 *Edhis 29-11-1905*
Mis

The correspondence read above relates to certain irregularities brought to the notice of Govt. by the Accountant-General in connection with the purchase of oil machinery required for the department of Industries, and the grant of a bonus of Rs. 500 to Mr. Lüber who was employed for some time as a pencil expert under Mr. Tressler. The account irregularities to which the Accountant-General has taken exception

in



Sp 1083
ca
29/11
Received at 4.40 PM

25 24 2

in connection with the purchase of oil mills are:--

pp1-3 CF (a) Advance payment of a portion of the cost of machinery ordered and

(b) Direct purchase from the manufactures in England instead of through the India Office.

Government have considered carefully the circumstances of the case and the explanation given by Mr. Tressler; and they proceed to pass the following orders.

pp 7-9 CF

2. The action of the Director of Industries/making advances in part *in a chimney in question* payment of the ~~oil mills~~, without the sanction of Govt. was highly irregular; and Govt. must insist on a strict adherence ^{to} of the account rules in future.

(p 11 quote)

3. With reference to ^{the} A.G.'s remark that the payment made by Mr. Tressler was an expedient intended to rescue the grant from lapsing on the 31st March 1915, his attention will be invited to the circumstances

para 6 ap 3 CF

26 3
circumstances explained in Mr. Tressler's

pp 7-9 CF letter No. ~~Ed~~, dated the 14th October 1915.

The machinery was ordered from England

for the purpose, as stated in para 3 of

Flag M G.O., No. 52, Edl., dated the 16th Janu-

ary 1915, of carrying on experiments in

the production of ~~an~~ oil for export, and

of making a practical trial of the appa-

ratus considered prima facie suitable

for adoption in substitution for country

mills. In view of the urgency of these

experiments, and of the advice given by

the India Office, that it would be ~~to the~~ to the

~~the~~ interest of the State to let the

arrangements made for the supply of the

machinery by the firms in England stand,

Govt. have decided not to cancel the

order for the plant or to recover the

money paid by Mr. Tressler. It is under-

stood that some of the machinery has

since arrived.

4. As to the objection taken to direct

purchase of ~~them~~ from the manufacturers

at home, the A.G. will be informed that

the

Para 4. on p. 11. q. notes & Kw
p. 8. q. C. F.

Incl. Secy's note of 16.11.15.

21 ap 30 F

257 26 4

the oil machinery was required in pursu-
ance of an experiment and that the Dir-
ector of Industries is one of the officers
who have been authorized to obtain direct
from manufacturers ~~or~~ ~~dealer~~ dealers in
England articles required for experimental
or research purposes - Vide Rule 7 (iii) of
the rules for the supply of articles for
the public service recorded in G.O., No.

May 20. 548, Financial, dated the 12th August 1913.
The proposal of the Director of Industries
for direct purchase was accordingly approved
by Govt. in G.O., No. 158 Edl. of the 13th Feb.
July 1915.

May 20.

5. As regards the grant of a bonus to
Mr. Lüber, Govt. consider the A.G. to have
been justified in bringing to the notice
of Govt. the fact that Mr. Tressler, after
having recommended a bonus in January last,
decided in March to withdraw his recommen-
dation, but ~~yet~~ failed to do so. Orders in
respect of this case have been passed in

May 2 G.O., No. 1036, Edl., dated the 21st Sep-
tember 1915 and in ~~G.O., No. 1036~~ the atten-

attention of the Director of Industries
has been drawn to the necessity of a strict
observance of the account rules.

6. Govt. feel constrained to comment
on the ~~the~~ ^{tone} of Mr. Tressler's replies
to the inquiries made by the Accountant-
General. It is the duty of that officer
to see that account rules are rigidly ad-
hered to, and he is entitled to receive the
assistance and cooperation of heads of de-
partments when he finds it necessary to
consult them.

© -
To the Accountant-General. (my Director's letter & order)
" " Director of Industries (A. G.'s letter & order)
Copy to the Financial department. (L. G.)

29/11/15

20.11.15

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

191 .

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 DITTO.

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH IN ORIGINAL.

N.B.—

- A = Copy in full.
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- P = Copy abstract only.
- Q = Copy heading only.

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