

Home (Education) (1917) Department.

Godwin SERIES.

G.O. No. 118

DATED 29-1-17

INDEXED

2

[Despatch Abstract.]

Pencil Factory.

Approving the proposal to engage the services of Messrs. Fraser and Ross in devising a correct system of accounts to be kept in the experimental ----- and to pay them a remuneration of Rs.300/-.

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DEPARTMENT.

Received

191

Registered

257 191

Subject.

System of Factory Accounts:- Applying for provision

to engage Messrs. Fraser and Ross Chartered Accountants

for the Government Pencil Factory.

ENCLOSURES.

No.

Spare copies

Station Madras, Dated the 20th January 1917From (Name) C.A. Innes, Esq., I.C.S.,(Designation) Director of Industries.

To The Secretary to the Government of Madras,

Home (Education) Department.
Through The Accountant General, Madras.

Sir,

I have the honour to submit the following proposal for the consideration of Government.

2. The Government are aware, the Department of Industries is at present engaged in the experimental manufacture of pencils. The work being done may be divided into two categories. In the first place we are experimenting with different kinds of wood in order to find if possible in the Presidency a cheap wood suitable for pencil making, we are investigating sources of graphite supply, and we are endeavouring to perfect our methods of making pencil leads. Secondly, we are endeavouring to ascertain by actual experiment whether pencils can be made in this Presidency at a profit, with this

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object in view we are trying to run the factory, as far as possible considering its size, on commercial lines. Obviously if the factory is to fulfil the purpose of a demonstration factory, and if on the strength of our work a firm or company is to take up pencil making on a really commercial scale, it is of the first importance that we should keep proper factory accounts and work out accurately costs of production.

3. Mr. Tressler worked out a system of accounts with this end in view, but his system does not work well in practice. In fact no one understands it, I don't and certainly the store-keeper, and factory Supervisor do not. The truth is that factory accounts are a very technical subject and that costs of production are extremely hard to work out. I have spent several hours at the factory struggling with the matter, and I now know enough about it to see that I require expert guidance.

4. I have consulted various firms on the subject and they all advise me that the only satisfactory course is for me to get a firm of Chartered Accountants to prescribe forms of account. The Hon'ble Sir George Barnes, whom I also consulted also gave me the same advice, and the Accountant - General to whom I mentioned the matter informally told me that he had no one in his office who could be called an expert in factory accounts.

5. Accordingly I interviewed Mr. Ross of Messrs. Fraser and Ross, and he was good enough to visit the factory and examine our accounts. I have now received a letter from the firm in which they offer to devise a system of cost and other accounts for the factory and also to supervise for some time the keeping of the accounts for a payment of Rs. 300.

6. I recommend most strongly that this offer be accepted. The first criticism that is always made by business men of Government industrial undertakings is that proper commercial accounts are never kept. The criticism is generally well founded, and it prevents any confidence being ^{put} felt in the results we work out. I am most anxious to meet this criti-

cism and if we accept ^{the} offer of Messrs. Fraser and Ross we shall do so in the most complete manner. Further the system suggested by the firm may be applied with suitable modifications to any other industry we may take up.

7. The cost may be met from the allotment for the current year under "26 Bm Scientific and Minor Department - Miscellaneous Experiments."

8. I venture to ask for ^{very} early orders in order that the new system of accounts may be brought in early next month.

I have the honour to be,
Sir,

Your most obedient servant,

Chhome
Director of Industries.

M.N./20-1-17.

10/17

Page 192 CBS -
1917-18

Fort St. George, the 24th of January, 1917.



No. Try P.A.-19149



ENCLOSURE: /

FORWARDED.

2. There is no audit objection to the proposal being sanctioned by Government.

P. dehar

Assistant Accountant-General.

To

The Secretary to Government,

Home (Educational) Department.

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OFFICE NOTE.

SUBJECT. Payment of remuneration
to Messrs Fraser & Ross for
the maintenance of accounts
in the pencil factory.

From the office in charge of the
Dept of Ind. & Agric. 20.1.17

Register No. 362

A draft order approving
Mr. Innes' proposal is submitted.
It may be sent to the Finl.
Dept for acceptance.

26.1.17. J. Innes
26/1/17 J. Innes

Financial Dept.

For the Asst. Secy.

The draft order may, if it is submitted,
be accepted. For provision of funds, please

File no 578-1 see para 7 of letter on page 3 CF.
29.1.17

29.1.17

Am to

29.1.17

Ed. no. 362-1
27.1.17

Curr No. 578
Financial
Rd. 27.1.17
CHIEF SECRETARY
27 JAN 1917
MAHARASHTRA GOVT

GOVERNMENT OF MADRAS
29 JAN 1917
HON.

Home (adv.) Dept.

Submitted that the draft may
now issue.

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29.1.17
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29/1/17

[Handwritten signature]
29/1

12.11.8 5.29



General Dept

for the last 200

The draft order may be submitted
in accordance with the provisions of the
act of 1914.

Pencil factory.

Approving the proposal to engage the services of Messrs. Fraser and Ross in devising a correct system of accounts to be kept in the experimental ----- and to pay them a remuneration of Rs.300/-

Read—

C.No.362, from the Officer in charge of the Department of Industries, No.1040, dated the 20th January 1917.

Endorsement of the Accountant-General, No.Try.P.A.19149, dated the 24th January 1917.

ORDER:
Mis.

N^o 1188 29-1-17

The Government approve the proposal to engage the services of Messrs. Fraser and Ross in devising a correct system of accounts to be kept in the experimental pencil factory and to pay them a remuneration of Rs.300/-.

To the Officer in charge of the
Department of Industries
" Accountant-General.

Amherst

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11/15/1918

Amherst

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HEAD AMHERST G.O., No.
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DATED

CURRENT No.

ENCLOSURES TO G. No.

ORDER OF GOVERNMENT

A A A A A A A

LETTER OF GOVERNMENT

STATEMENT WITH DETAIL

PAPER NOT FILLED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL

N.B.-

A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only.