

Home (1917) Department.
(Education)

Ordinance SERIES.

G.O. No. 1477.

DATED 20-11-1917.

INDEXED

[Despatch Abstract.]

Leather Trade School, Madras.

Approving the rates of rent to be charged on certain
machinery in the ----- lent to the Chrome Leather Company.

PAPERS PUT UP WITH CURRENT No. _____

Papers of the department to which the current belongs.

Number.	Date.	Original (= O) or spare copy (= S.O.)	Remarks. (In this column such of the papers as have been removed for copying, printing, etc., should be marked with a cross.)	Initials of Referencer with date in token of return to Reference department.

Papers of other departments.

Department.	Number	Date.	Original (= O) or spare copy (= S.O.)	Initials with date of (1) Referencer acknowledging returns of the paper concerned or (2) Despatcher to denote the return of the papers to the department concerned.

DEPARTMENT.

C.F.—29.

Received



Registered

Subject.

Recommending a reduction in the rate of rent
charged for ^{the} use of a shaving machine to the Chrome
Leather Co., Madras.

ENCLOSURES.	
No.	<i>one</i>
Spare copies	

No. *Roc 1205*Station *Madras*, Dated the *29th* October 1917.From (Name) *C. A. Innes, Esqr., I.C.S.,*(Designation) *Director of Industries, Madras.*

To The Secretary to the Government of Madras,

Home (Education) Department.

Sir,

I have the honour to invite a reference to G.O.

(H) No. 38 Educational Mis. dated the 10th January 1916 sanction-
ing the loan temporarily to the Chrome Leather Company,
Madras, of the Shaving Machine in the Leather Trade School
subject to certain conditions.

2. One of these conditions was that the Company
should pay a sum of Re.1 per diem to cover interest charges
and depreciation of the machine. The machine was returned
on the 10th of September at my request and has been pro-
nounced by the Superintendent, Public Works Workshops to

Chrome Leather Co. for Rs.598/- being the charge for the loan of the machine at Re.1 a day.

3. I now submit for the orders of Government a letter which I have received from the Company asking me to reconsider the charge for the machine. The company points out that the charge represents more than 1/3 of the value of a new machine. As a matter of fact, the capital value of the machine, as shown in the books of the Leather Trade School, is £. 55/- or Rs. 825/-, but prices have no doubt gone up considerably since the war. It will be observed that rent at the rate of Rs. 365/- per annum represents a charge of 44 per cent per annum on the capital value of the machine as shown in the school books. I think myself that this is a very excessive rate, since it is intended merely to cover interest charges and depreciation. In the circumstances, I support the Chrome Leather Company's representation, and I suggest that the rate of rent should be reduced to 8 as. a day and the bill cut down to one half. As a matter of fact I had already written a letter to this effect, but I decided to wait and see whether the Chrome Leather Company raised any objection to the charge, and in the end I did not send the letter.

4. In this connection I would also refer to G.O. No.1386 Home (Education) dated the 18th December 1916 sanctioning the loan on the same terms to the Chrome Leather Company of the "striking out Jack". In this case the charge of Re.1 per diem to cover interest and depreciation charges amounts to 61 per cent of the capital value of the machine as shown in the books viz £. 40/- or Rs. 600/-. To avoid another

reference to Government, I suggest that in this case the rate of rent be reduced to 6 as. per day which represents a charge of about 22 % on the capital value to cover interest and depreciation charges.

I have the honour to be,
Sir,

Your most obedient servant,

Calmes

Director of Industries.

N.R.S.

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Copy of letter No. G.A.C/S. dated the 27th October 1917 from
the Chrome Leather Company, Pallavaram to the Director of Industries,
Madras.

We have yours No. 1205 of the 28th ultimo enclosing bill
for Rs. 598/- for use of Shaving Machine.

Will you consider this matter - the charge represents
more than one third the value of a new machine. The charge per day
would not appear high had the machine be used for a few days or weeks
but unfortunately owing to war conditions it took us many months to
obtain a new machine and this was not anticipated when we first
borrowed the Machine from the School. We think a charge of half the
sum named would fully meet the case.

We feel sure the subject will meet with your sympathetic
consideration and are, dear sir,

N.R.S.

..... The Govt approve
proposal of the off
in charge of the Dept
of Industries to charge
rent on the shaving
machine on the
machine known
as the shaving
machine to be
used by the
Chrome Co. Madras
the rate of 1/2 paise
per day

N.B.—
A = Copy in