

EDUCATION (1950) DEPARTMENT.

MS. SERIES.

closed.
56

(6)

G.O. No. 1404 Rdn.

DATED - 1 - 5. 1950.

Sub.

Stationery - paper - quad foolscap
48 lbs and - purchase from Messrs.

Ramalingam Chettiar & Co. Sanctioned

Further paper.

On MS. No. 2071, P.W. at 10.7.59

From: Sri, V.V. Subramaniam, I. S. To The Secretary to Government,
Superintendent of Stationery, Education Department,
Madras at Guindy, Madras 15. Fort Saint George, Madras.

No. B.8.6052/48 dated 24-3-50.

Sub: STATIONERY - Paper - Quad foolscap 48 lbs. and 56 lbs -
purchased from Messrs. P.S.N.M. Ramalingam Chettiar and
Company - Excess payment - Refund of

Ref: This office B.8.6052/48 dated 2-6-48 and 25-8-48 - p-14
Government Memo. No. 41034-C2/48-3 Education dated p-64
9-6-48 and No. 65334 C2/48-1 Edn dated 1-10-48. p-14

As already reported in this office letter B.8.6052/48 dated
25-8-48, 205 reams of imported quad foolscap size paper 48lbs.
and 100 reams of quad foolscap size paper 56lbs were purchased
in June 1948 from Messrs. P.S.N.M. Ramalingam Chettiar and Company
46, Anderson street, George Town, Madras for the urgent use of
the Government Press. The Company obtained payment at Rs.1-4-0
per lb for 48lb paper and at Rs.1-4-6 per lb for 56 lb paper
stating that the above were the ceiling prices of the paper and
also undertaking to refund any excess of amount drawn by them,
in case, the documents that would be produced by them later
disclosed that the actual ceiling prices were less than the rates
stated by them. Accordingly they executed an Indemnity Bond on
28-7-48, a copy of which is enclosed for reference.

2. The Company were thereafter asked to produce a copy
of the order of the Government of India fixing the ceiling prices
of the two varieties of paper at Rs.1-4-0 and 1-4-6 per lb as
claimed by them. The merchants were procrastinating in the
matter and failed to prove the authenticity of the ceiling
prices quoted by them.

3. In the meantime, the Director of Controlled Commodities
who was addressed in the matter stated, that the transactions
in imported paper were governed by the Paper (prices of Imported
Paper) Control Order 1944 and that the controlled price of
quad foolscap paper was only Re.0-14-5 per lb. A copy of the
letter dated 14-3-49 from the Director of Controlled Commodities
is also enclosed.

4. Messrs. P.S.N.M. Ramalingam Chettiar & Co., were
thereafter called upon to refund the excess of Rs.5649-13-5 drawn
by them over the general rate of Re.0-14-5 per lb. In
reply, the Company produced a copy of the letter dated 9-1-48
of the Government of India to a Bombay firm, Messrs. M.R. Parikh
& Co., Ltd., in which the maximum selling price of cream woven
paper 28"x34" 485 grams is stated as Re.1-3-6. The Company
also refunded a sum of Rs.664-10-6 being the difference in cost
viz., 0-1-0 per lb for 56lb paper and 0-0-6 per lb for 48lb
paper plus sales tax thereon.

5. But the above letter does not conclusively prove the
authenticity of the ceiling prices fixed by the Government of
India for the particular variety of paper supplied by them
for the following reasons:--

(a) They, Messrs. P.S.N.M. Ramalingam Chettiar and Co.
first reported that the paper supplied by them was purchased
by them from Messrs. Davidoss Baliya and Co., Bombay; whereas
the above letter of the Government of India is addressed to
a different firm, Messrs. M.R. Parikh and Co., Bombay.

(b) They first declared the ceiling price of 48lb paper
was Re.1-4-0 per lb and that of 56 lb paper was Re.1-4-6 per
lb. while proof adduced by them is for a different rate viz.,
Re.1-3-6 per lb.

(P.T.O)

(c) Thirdly, the ceiling price of the quad foolscap 56lbs paper alone is cited in the copy of the order and the rate for the other variety of paper viz., 48lb paper does not find place in the communication of the Government of India.

6. The Company were therefore informed that the letter produced by them does not satisfactorily establish the rates on which they had obtained payment and they were repeatedly reminded for the refund of the balance amount of Rs.4985-2-11 due by them, with a warning that failure to refund it will entail legal action being taken against them. But there was no response. At this stage a bill of this Company for Rs.2775-14-0 relating to a different transaction came up for payment. Hence the dealers were finally informed that this bill for Rs.2775-14-0 would be adjusted against the balance amount of Rs.4985-2-11, due by them and that legal action would be taken for recovering the balance of Rs.2209-4-11. In reply to this letter, the Co. in their letter dated 17-11-49, a copy of which is enclosed, alleged that the price of Rs.0-14-5 per lb has been arbitrarily fixed and that it was admitted by this office that the ceiling price of paper was Re.1-3-6, while no such admission has been made. They also referred to carting and freight charges, claimed by them, which had been disallowed as were not entitled thereto. The Director of Controlled Commodities, in his letter dated 14-3-49, a copy of which is enclosed, has stated that a dealer is prohibited from charging towards freight since the Government of India, while fixing the prices, allow a fair margin of profit to meet such charges and further said that in this particular case if the Superintendent, Government Press, in consultation with the Superintendent of Stationery had agreed to pay such charges the actual freight charges may be paid after verifying the Railway Receipts. As there is nothing on record to show that the Superintendent of Stationery agreed to pay the transport charges from Bombay to Madras, the Company's claim for the extra charges was refused. Even in the supply order Rc.6052/48-B.3. dated 7-6-48 of this office, it was made clear to the company that the freight charges from Bombay to Madras will not be paid unless Government sanction them. And Government declined sanction these charges in their letter No.41034-C2-48-3 Education dated 9-6-48. Two further reminders to the Company from this office were not responded to;

7. The Government Solicitor was addressed for filing a plaint in the matter for recovery of the amount due from the Company and he has sent a plaint for my signature, asking for a sum of Rs.215/- (Rs.Two hundred and fifteen only) towards court fee on the plaint and other initial expenses. I request that sanction may kindly be accorded for filing the plaint in the City Civil Court, Madras and also for incurring legal expenses of Rs.215/-.

8. I also request that the purchase of 305 reams of paper referred to above, may be ratified as Government memo No.41034-Cs-48.3 dated 9-6-48 does not contain a specific sanction for the purchase of paper.

Sd. V.V. SUBRAMANIAN,
Superintendent of Stationery.

For Superintendent of Stationery

Copy of the indemnity bond.

We, Messrs. P.S.N.M. RAMALINGAM CHEETIAR & CO., 72, Mint Street, Madras hereby indemnify the Superintendent of Stationery, Government of Madras, for any loss arising out of any discrepancy in the ceiling prices in respect of our supplies made to them as per our invoice No. 979 dated 19-6-48 for 205 reams creamlaid Quad Foolscap 48 lbs. and 100 reams Quad Foolscap 56 lbs. which are charged at Rs. 1-4-0 and Rs. 1-4-6 respectively as per fixation made by the Industries and Civil Supplies, NEW DELHI against your order. B.3. 6052 dated 5-6-48.

IN WITNESS WHEREOF - We put our hand and signature this
TENTY EIGHTH DAY OF JULY 1948.

TRUE COPY.

TSS

Encl:3 TSS
25/7

Copy of the letter No. P.Con.4/20416/49 dated 14-3-49 from the Director of Controlled Commodities, Madras to the Supndt. of Stationery, Madras.

Stationery - Imported paper - Quad. F'Cap - purchase from the Madras Trading Co., Payment of extra charges

Ref: Letter dated, 9-3-49 from Miss. V. Sarojini, daughter of Late Sri T. Vijayaraghavan Propr. The Madras Trading Co., Madras.

The transactions in imported paper are governed by the Paper (Prices of Imported paper) control order 1944. The controlled price of Quad F'cap, paper is 0-14-5, per lb as per Government of India Notification No. 308. PA(65)/46 dated 15-11-46. In particular and individual cases, Government of India fix prices and intimate the local Government and the dealer concerned. In this case Messrs. Davidoss Baliga & Co., Karaurila Buildings, Bombay, imported the paper and got the price fixed from the Central Government. Messrs. The Madras Trading Co., Madras have acquired their supplies from this Bombay firm. If the dealers who supplied the paper have got the price so fixed as stated by them and if you are not satisfied with the rates furnished you may ask the Madras or the Bombay firm to furnish a copy of Government of India order fixing the rates as quoted by them. In this connection I may add that the correct address of the Bombay firm has not been made available.

A dealer is also prohibited from charging towards freight since, the Government of India, while fixing the prices allow a fair margin of profit to meet such charges. As regards the payment of extra charges in the particular case, if the Superintendent, Government Press, has in consultation with you, in view of the then existing shortage of paper at Madras, which necessitated the dealer to procure paper from Bombay, agreed to pay such extra charges there can be no objection to pay the freight charges after verifying the Railway Receipts.

TRUE COPY.

TSS

6
Copy of the letter dated 17th November 1949 from P.S.N.M.
Ramalingam Cheettiar & Co., to the Superintendent of
Stationery, Madras.

Re: OUR BILL NO. 2163 dated 30-12-1949 for a SUM OF
Rs. 2775/14/0

We are surprised at your registered letter stating that you will adjust this amount towards the previous supply of quad foolscap papers made by us to you. We fail to understand as to how you can do that as the ceiling price is not Rs. 0-14-5. as arbitrarily mentioned by you. Even as admitted by you in your letter dated 31-8-1949 the ceiling price of 56 lbs. is Rs. 1-3-6 per lb. We are afraid that your reduction of the price of 56 lbs. to Rs. 0-14-5. as against your own admission is not maintainable and very inequitable especially after we have informed the excess which you have accepted.

As regards 48 lbs. and 56 lbs. we have made it clear to you that we purchased it from our commission agents Messrs. Devadadas Baliga of Bombay. We never stated that he was the importer and in all the invoices submitted to you they have charged one percent commission which can be only on the basis of their being commission agents. Further the ceiling price we have quoted to you is on the basis of their invoice which we understand, they have made on the basis of ceiling price. Your attitude in refusing to pay the cartage to deliver at Press and freight and other expenses incurred by us in bringing the goods from Bombay to Madras is also equally regrettable.

When you have not finally settled as to what the ceiling price according to Government regulations should be irrespective of the question as to who should furnish the necessary Govt. information, it is unkind and very unfair to us to be told that you would withhold the admitted amount due by you to us. We request you to remit the money due under the bill and give us an opportunity to meet and explain to you our position so that there may not be any further unpleasantness and misunderstandings between us. We request you to consider that we also deserve to be treated on a equitable basis and not in an arbitrary and summary manner which you have unfortunately chosen at present to do. We would very much appreciate and interview with you at your earliest convenience.

Thanking you in anticipation.

TTC
TRUE COPY.

Sub: Stationery - Paper - Quad foolscap 48 lbs. and - Purchase from Messrs. Ramalingam Chettiar & Co., - Sanctioned.

Read: From the Superintendent of Stationery, No. B.8.6052/48, dated 24-3-50.

Read also: Memo No. 41034 C2/48, Edn. dated 9-6-48.

G.O. MS. NO. 1404 EDN. DATED 1-5-50.

Sanction is accorded for filing a plaint in the City Civil Court, Madras for ^{the} recovery of the amount due to Govt. from Messrs. Ramalingam Chettiar & Co., and also for incurring legal expenses not exceeding Rs. 215/- (Rupees two hundred and fifteen only).

2. Sanction is also accorded for the purchase of paper as detailed below:-

Quantity. (1)	Description of paper. (2)	Price. (3)
(1) 205 reams.	Imported quad foolscap size paper 48 lbs.	Rs. 1 - 4 - 0 per ~~100~~ lb
(2) 100 reams.	Quad foolscap size paper 56 lbs.	Rs. 1 - 4 - 6 per ~~100~~ lb
--- 305 reams. ---		

3. The action of the Superintendent of Stationery in having purchased the paper referred to in para 2 above is ratified.

To
The Supdt. of Stry.
Guindy.
The A.G. thro' Fin.
s/c for s.f.

Note:- Please see the letter from the Supdt. of Stry. on p. 1-2 c.f. In the circumstances stated therein, his proposal at 'K' on p. 2 c.f. may be accepted. The draft above is for approval. Home, Legal and Finance may see for acceptance.

Edm No 4665 E/S-1



JKorp 2 of

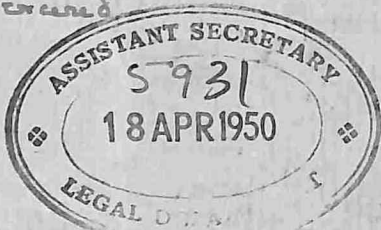
The case relates to the filing of a suit for the recovery of the amount due to Govt. from M/s. Ramalingam Chettiar & Co. and to the incurring of legal expenses.

To 2157- The Govt. Secy, Madras in connection with the filing of a plaint. The letter from the Supdt. of Stationary and its encls. in the c.f. and the Edn. Secy's note on p.1. ante may be perused. The incidental expenses will have to be debited to the Departmental head only and not to "27. Adm. of Justice" head.

The draft order overleaf may be perused and the case passed on to legal.

15/4/50
17/4/50

Val 18/4/50



Shree (C-13-1)

Home No 477630/54/50-1
18-4-50

Seen in legal

19/4/50

Legal No:
5931/50-1
19/4/50

Fin

Fin (ExpB)

The notes of Edn, Home and Legal on pages 1-2 above may be perused. The draft order overleaf may be accepted and the case returned to Edn.

22-4-50

26/4/50

Edn.

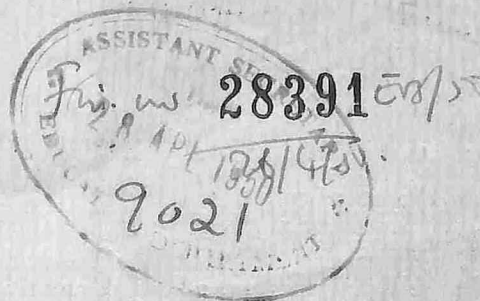
Per 24/4/50
Thr BGR (regarding T' above)
24/4/50

Education (E).

The notes of Home, Legal and Fin from p-1 ante may be perused. The draft order overleaf may now issue.

28/4

30/4/50



28/5