

80 *Handwritten*
Circular No. 3 Public Works.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

GENERAL.

Simla, April 14, 1881.

The following is forwarded to the Local Governments and Administrations

The Governments of Madras, Bombay, Bengal, the North-Western Provinces and Oudh, and the Punjab, in the Public Works Department.
The Commissioners, Central Provinces, British Burma, and Assam.
The Resident, Hyderabad.
The Agents to the Governor General for Central India, Rajputana, and Beluchistan.
The Accountant General, Public Works Department.
The Inspector General of Military Works.
The Director General of Railways.
The Consulting Engineers to the Government of India for Guaranteed Railways, Calcutta, Lahore, and Lucknow.
The Director General of Telegraphs in India.
The Director-in-Chief, Indo-European Telegraph.

and officers marginally noted, in continuation of Public Works Department Circular No. 16 of 30th March 1874.

By order,

W. Sampson

Under Secy. to the Govt. of India.

Extract from the Proceedings of the Government of India in the Home, Revenue and Agricultural Department (Public),—No. ¹²/₃₆₅₋₈₃, under date Fort William, the 7th March 1881.

Read again—

Home Department Resolution No. 13—467, dated 13th February 1874, on the subject of the holding of land by Government servants in India and of speculative investments by public officers.

Read also—

Despatch to Her Majesty's Secretary of State for India, No. 320 (Financial), dated 28th September 1880.
Despatch from Her Majesty's Secretary of State for India, No. 120 (Railway), dated 30th November 1880.

RESOLUTION.—In the despatch of 28th September 1880, the Right Honourable the Secretary of State for India was informed that, in the belief that the rule forbidding public officers to act as Directors of a Company does not affect the power of Government to appoint a public servant as a Director to watch the public interests, the Government of India had sanctioned the appointment of the Commissioners of Kumaon and Rohilkhand to act as Government Directors of the Bareilly-Ramibagh Light Railway. It was added that the fact of the officers above named being shareholders need not, in the opinion of the Government of India, prevent their appointment to be Government Directors, inasmuch as it seemed improbable that the interests of the Government would conflict with those of the shareholders.

2. The Secretary of State in reply remarks—

It may, as you observe, be improbable that the interests of the Government should conflict with those of the shareholders. The interest of both may generally be identical; but nevertheless, as a matter of principle, and without any personal reference or consideration, I

*The Secretary to the Govt. of Madras
P.W. Department*

concur in the opinions which have been expressed by my predecessors on the subject, and I think it best that, if it is considered advisable for the Commissioners of Kumáon and Rohilkhand to continue as Government Directors, they should divest themselves of all personal interest in the Railway.

3. The above decision must be treated as a general ruling bearing on the subject, and the Governor General in Council accordingly directs that it be circulated to Local Governments and Administrations for information and future guidance.

ORDER.—Ordered, that a copy of this Resolution be forwarded to the Local Governments and Administrations and to the several Departments of the Government of India for information and guidance.

Ordered also, that a copy of the Resolution be forwarded to the Superintendent of Port Blair and the Nicobars, the Director General of the Archaeological Survey of India, the Surveyor General of India, and the Superintendent of the Geological Survey of India for information and guidance.

P. W. D. No 2659

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.

GENERAL.
Prof. May

80. S.C.

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No 1152. W. 5/5/81

Recorded, with refer
to L.O. by 916 W. 6 April
1881.

CCP. 9/5/81

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Circular No. 3 Public Works.

Dated Simla, April 14, 1881.

Received 3rd May.

Ruling that persons acting as Government Directors of Companies must have no personal interest in the Company so long as they act as Directors.

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With order
N. 11522