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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Public Works DEPARTMENT

G.O. No.	1894 W	Press.
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Dated	18.8.1981	197.

S.G.M.

Not to be folded or roughly handled

1894
1

GOVERNMENT OF MADRAS.
PUBLIC WORKS DEPARTMENT.

1st August 1881, No. 1,894 W.

General.
Account.

Read the following paper:—

No. 13. From J. C. LARMINIE, Esq., Acting Superintendent of Works, Godavari, to the Chief Engineer, Public Works Department, dated Dowlaishweram, 16th July 1881, No. 1,006.

I HAVE the honor to forward herewith a letter, No. 86, dated 9th July 1881, from the Officer in charge of Government Workshops, Dowlaishweram, requesting permission to write off Rs. 7,125 to Profit and Loss, being the probable amount of loss on timber stock for your consideration and orders.

From J. C. LARMINIE, Esq., Executive Engineer in charge, Government Workshops, Dowlaishweram, to the Superintendent of Works, Godavari, dated Dowlaishweram, 9th July 1881, No. 86.

With reference to paragraph 3 of the Examiner's letter, No. 217 W., printed with G.O. No. 551 W., of 1st March 1881, I have the honor to bring to your notice that there are now on the workshop stock accounts 2,302 cubic feet of out slabs and 3,944 cubic feet of half wrought, both these quantities form part of the timber stock, and their book values are Rs. 2,198 and Rs. 7,044 respectively.

2. At the time of examination of the workshop accounts by Major Carey, I approximately stated that there would be almost a dead loss on the out slabs and probably a loss of about 20 per cent. on the half wrought.

With a view to test the correctness of that statement I have lately had portions of both description of timber sawn up into such sizes as would be likely to prove useful, only reapers could be obtained from the out slabs and 13 per cent. of the quantity of wood taken were thus rendered useful. The half-wrought timber was cut up into battens of various scantlings and only 26 per cent. of the quantity of wood taken was utilized; so I regret to find the loss on this portion of the stock is much greater than I anticipated.

3. If the percentages as stated are uniform (they were obtained by sawing up 252 cubic feet of out slabs and 228 cubic feet of half wrought) for the entire lots, the following will be the quantities of timber which must be looked on as a dead loss:—

	C. FT.
Out slabs 2,302 cubic feet, less 300 cubic feet at 13 per cent. ...	2,002
Half wrought, 3,944 cubic feet at 1,025 at 26 per cent. ...	2,919
Total, timber deficient ...	4,921

The respective values being—

	RS.	A.	P.
Out slabs ...	1,911	8	0
Half wrought ...	5,213	8	0
Total ...	7,125	0	0

which I have the honor to request permission to write off to Profit and Loss.

4. Under the authority of G.O., No. 3,672 W., dated 18th. September 1878, 17,820 cubic feet of out slabs were sold in 1878-79 and the loss, Rs. 13,350, on the transaction was written off. On the present occasion, however, I think it better to utilize as much of the wood as possible by cutting it up with the circular saw, as the reduced quantity of wood so sawn up will have a greater value than would probably be realised by the sale of the whole by auction. It would not however, I consider, do to invariably dispose of the wood in this manner; much would depend on the demand in the district at the time for reapers and work to absorb the battens, as in the course of a little time the accumulation of battens and reapers would be almost as objectionable as the rough lots themselves. So the only other alternative would seem to be to increase the percentage allowed for waste, at present this percentage is 40 per cent., but to cover losses on out slabs and half wrought (assuming that no portion of them is utilized) as much as 70 per cent. should be allowed. This seems a high figure, but I have no reason to doubt its accuracy; it was deduced as follows:—194 logs of Godáviri teak measured 2,638 cubic feet. The actual outturn of work as per estimated quantities from this lot was 1,549 cubic feet, allowing the usual 40 per cent. wastage there should be a balance of 493 cubic feet, while actually only the seventh part of this quantity was available.

5. It would thus appear that there are only two modes of preventing the stock accounts periodically becoming encumbered with a lot of useless material—

1st.—By occasional sales writing off the loss;

2nd.—By increasing the percentage allowed for waste, but this of course will involve a corresponding increase in the rates for wood work; so I beg to submit the question for orders. The question may well be raised. Is there no way of avoiding so much waste; the reply is by using Burmah teak the percentage of waste would be only 35 per cent., but the greater cost of Burmah teak renders it more expensive which will be seen from the following:—

	RS.	A.	P.	RS.	A.	P.
Godáviri teak, value per cubic foot ...	...	0	15	0		
Wastage at 70 per cent. ...	...	0	10	6	1	9
					6	
Burmah teak, value per cubic foot ...	...	1	10	0		
Wastage at 35 per cent. ...	...	0	9	0	2	3
					0	9
Difference in favor of Godáviri teak ...	...				6	

No. 14.

ORDER THEREON, 1st August 1881, No. 1,894 W.

It is obvious from the facts stated in the above letter that the rates hitherto charged for timber supplied to works from the Dowlaishweram workshops have been insufficient to cover the actual cost of production in which "wastage" is an essential element.

2. The book value of the stock in question should be brought down to its actual value without delay, as much as possible of the loss being debited to works in progress which may have already benefited by the insufficient price placed upon the woodwork. What cannot be so adjusted may be written off to Profit and Loss.

3. In future care should be taken that the rates charged to works are such as to cover the full cost of the woodwork and to avoid the necessity of either encumbering the stock accounts with useless material or periodical writing off to Profit and Loss of the difference between the real and fictitious value of stock on hand.

(True Extract.)

Major, R.E.,
Under Secy. to Govt., P.W.D.

To the Superintendent of Works, Godáviri.
,, Examiner of Public Works Accounts.

Exd. E.C. Shunker.

Spare Copies

1894
2

GENERAL
ACCOUNT.

Gobt. of (1881) Madras.
PUBLIC WORKS.

To

THE SUPERINTENDENT OF WORKS,
GODAVARI,
Ac, Ac, Ac.

Dated August, 1st.

Issued

Recd.

Encl.

G. O., 1st August 1881, No. 1,891 W.

AUGUST.
Nos. 13-14.

Loss on Timber Stock, Dowlaishwaram
Workshops.—Orders on letter from the
Superintendent of Works, Godavari, request-
ing to writing off the probable amount
of —.

No. 1006

FROM

Ar
THE SUPERINTENDENT OF WORKS

GODAVARI DISTRICT.

TO

THE CHIEF ENGINEER

Ar
P. W. Department
FOR IRRIGATION.

Enclos.

Dowlaishwaram,

SIR,

16th July 1881
I have the honor to forward
herewith a letter No. 86 dated
9th July 1881 from the Officer in charge
of Government Workshops Dowlaishwe-
ram requesting permission to write off
Rs 7,125 to profit & loss being the probable
amount of loss on timber stock, for
your consideration and orders.

I have the honor to be,

Sir,

Your most obedient Servant

Ar
Supt. of Works Godavari

Compd. SK

G.O. No. 3672 W. of 18 & 15/78
" " 537 W. of 1st March 1881

P. H. C. 1881
From
The Superintendent
of Works
To The Chief Engineer
P.W.D.

Date 16th
Sept 1881 } July 1881
Received

Rs 1000

Enclosure

Timber Stock.

Forwards for Orders
a letter from the
Workshop Officer
Soclaishimam to
write off certain amount
to profit & loss being
the probable amount
of loss on -

No 86

From

Workshop Office
Soclaishimam. 2 July/81
Superintendent of
Workshop Soclaishimam

To

The Superintendent of
Works - Godavery District

Sir

With reference to Para 3 of the
Examiner's letter No 217 W. printed
with G.O. No 531 W. of 1/3/81 I have
the honor to bring to your notice that
there are now on the Workshop Stock

2302 Cft of out-slabs

+ 3944 " of half wrought
both these quantities form part
of the timber stock and their
book values are Rs 2198

Rs 7044 respectively

At the time of examination
of the workshop accounts by
Major Carey I approximately
stated that there would be
almost a dead loss on the out-slabs
and probably a loss of about 2000
on the half wrought.

With a view to test the correctness
of that statement, I have

lately had portions of both descriptions of timber sawn up into such sizes as would be likely to prove useful, only reapers could be obtained from the out-slabs and 13 per cent of the quantity of wood taken, were thus rendered useful. The half wrought timber was cut up into battens of various scantlings and only 26 per cent of the quantity of wood taken was utilized. So I regret to find the loss on this portion of the stock is much greater than I anticipated.

3 If the percentages as stated, are uniform (they were obtained by sawing up 252 cft of out-slabs & 228 cft of half wrought) for the entire lots. The following will be the quantities of timber which must be looked on as a dead loss

out-slabs 2302 cft less 300 cft $\frac{13}{100}$ = 2002 cft
 Half wrought 3944 " " $\frac{26}{100}$ = 2910 cft
 Total timber deficient 4921

The respective values being
 out slabs Rs 1911-8-0
 Half wrought " 5213-8-0
 Total 7125-0-0

which I have the honor to request permission to write off to profit & loss 1878/79. Under the authority of G.O. No 3672 W. dated 18th September 1878 17,820 cft of out slabs were sold in 1878/79 and the loss Rs 13350. on the transaction was written off on the present occasion however I think it better, to utilize as much of the wood as possible by cutting it up with the circular saw as the reduced quantity of wood so sawn up will have a greater value than would probably be realized by the sale of the whole by auction. I would not however, I consider do, to invariably dispose of the wood in this manner; much wood depend on the demand in the district at the time for reapers & work to absorb the battens; as in the course of a little time the accumulation of battens & reapers would be almost as objectionable as the rough lots themselves. So the only other alternative would seem to be to increase the percentage allowed for waste, at present this

percentage is 40 percent, but to cover losses on out-slabs & half wrought (assuming that no portion of them is utilized) as much as 70 percent should be allowed.

This seems a high figure, but I have no reason to doubt its accuracy it was deduced as follows - 194 logs of Kodaneri teak measured 2658 c ft. The actual out turn of work as per estimated quantities from this lot was 1549 c feet - allowing the usual 40 per cent wastage there should be a balance of 496 c feet: while actually only the 7th part of this quantity was available.

5 It would thus appear that there are only two modes of preventing the stock accounts periodically becoming encumbered with a lot of useless material.

1st by occasional sales writing off the loss

2nd by increasing the percentage allowed for waste. but this of course will involve a corresponding increase in the rates for wood work.

So I beg to submit the question for orders. The question may well be raised - Is there no way of avoiding

so much waste. ¹⁸⁹⁴ the reply is, by using Burmah teak the percentage of waste would be only 35 percent. but the greater cost of Burmah teak renders it more expensive which will be seen from the following.

Kodaneri Teak value per cft 0-15-0

Wastage @ 70% 0-10-6 1-9-6

Burmah Teak. value per cft 1-10-0

Wastage @ 35% 0-9-0 2-3-0

Difference in favor of Kodaneri Teak 0-9-6

I have the honor to be

Yours most obedient servant

Executive Engineer Puduk
Govt. Works Dept. Puduk

From
The Superintendent of
Govt. Workshops
Dowlaiswaram
To
The Superintendent
of Works
Godavari

Dated 9. }
Recd 9. } July 1887.

N^o 86.

Dowlaiswaram Workshop
stock - certain
quantity of timber
in the - Request to for
- Revision to write off
to Profit & Loss a—.

Enclosure in letter
N^o 1006 dated 16th
July 1887 from the
Supt of Works
Godavari

Mr. Secy
11/11/87

Genl
Secy

N^o 1894 PUBLIC WORKS DEPARTMENT.
PROCEEDINGS OF THE MADRAS GOVERNMENT.
UNDER date the 1st Aug^r 1887.
Read the following:—

1887
From the Supt of Works Godavari. H.E. N^o 1006 d/16 July 1887.

It is obvious from the
facts stated in the above
^{letter} papers that the rates hitherto
charged for timber supplied
to works from the Dowlaiswaram
workshops have been insuff-
-ficient to cover the actual
cost of production in which
"wastage" is an essential element.
2 The book value of the stock
in question should be brought
down to its actual value with-
out delay, as much as possible
of the loss being debited to
works in progress which may
have already benefited by the
insufficient price placed
upon the woodwork. What
cannot be so adjusted may
be written off to profit and loss.

3 In future care should be
taken that the rates charged
to works are such as to cover
the full cost of the wood-
work and to avoid the ne-
cessity of either encumbering
the stock accounts with
useless material or periodical
writing off to profit and
loss of the difference between
the real and fictitious value
of stock on hand.

S₂₉₇

AM

28/7/81

Supt of W. Godavari ✓
Ex. P.W. Accts. ✓
12-8-8

36/4 - Cir 28/7

1894
10

Cont. of (1881) Madras.

70

Det. 77

Issued

Reed.

End

G. O., 1 Aug 1881, No. 1894 h

Hos. 18-11

Loss on Timber stock,
Danaishner on her shops
Order on letter from the
Sympsonian suggesting to
writing off the probable
amount of —

57/3

Sold. in Recd. of H. Regt.