Public work Department

Gio.na.:- 396 w

14. 2. 1884

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Establishment.

Read—the following papers:—

Extract from a letter from the Consulting Architect to Government, dated 25th October 1883, No. 907.

"Item No. 4.—Explanation was sent with letter, No. 528, dated 9th August 1883. A full copy of the correspondence will be forwarded."

From C. VINCENT, Esq., Officiating Consulting Architect to Government, to the Chief Engineer, Public Works Department, dated Chepâk, 9th August 1883, No. 528.

I have the honor to report the following circumstances.

2. In March last, a large quantity of teakwood scantlings being required for the new post and telegraph offices, some tenders for the same, on the part of the firm of Messrs. Mansfield, Bremner, and Company, were submitted to Mr. Chisholm by Mr. Lennon,* the subordinate in immediate charge of the works. The price originally named was high, but eventually an agreement was arrived at to pay Rs. 165 per ton for the scantlings wrought and delivered; but although Messrs. Mansfield and Company agreed to deliver the timber by the end of March, they seem to have been in immediate need of funds; for, on March 19th, they addressed the following letter to Mr. Chisholm:—

One letter.

* Letter of March 9th.

"Referring to the purchase of 70 tons Moulmein teak made by Mr. R. P. Lennon on account of the new post and telegraph offices, we now have the honor to apply to you for an advance on this purchase, and in return for this we agree to give you entire control over a quantity of 70 tons teak in logs, our property, at Pondicherry, which is to be delivered in scantlings by us on or before the 31st instant at the new post and telegraph offices."

3. In reply, Mr. Chisholm† informed them that "the Code lays down a rule that no advances of any kind can be made;" but he suggested the following way of meeting the difficulty:—

† Letter of March 20th.

"Mr. Lennon to measure the timber at Pondicherry and wire in the quantity. I can then purchase it at a nominal rate, agreeing to sell it back to you, log by log, at the same rate, to be converted by you into scantlings according to agreement."

4. This was accordingly done. Mr. Lennon went down to Pondicherry, wired on March 21st—"Have measured up 70 tons, please pay for 35 tons to-day on bill of sale signed by vendors as banks close tomorrow for Easter;" and a cheque for Rs. 5,250 was sent to Messrs. Mansfield and Company, together with a bill for 1750 cubic feet of teakwood at Rs. 3 per cubic foot. This bill was signed and returned.

5. After taking over charge of the Consulting Architect's office, on April 16th, I made inquiries regarding the various contracts in hand, and was shown some timber at the post and telegraph offices which Messrs. Mansfield and Company had sent in; but great delay in carrying on the work soon becoming apparent, I made further inquiries shortly afterwards, and had an interview with Mr. Bremner, then the representative of the firm in Madras. Mr. Chisholm's transactions had all been, I believe,

with Mr. Mansfield, but that gentleman had, by that time, left for England without apparently telling Mr. Bremner much about the engagements into which he had entered.

6. Mr. Bremner was profuse in promises, but as these did not result in much, I had at last to insist on the execution of a stamped agreement to supply the scantlings. This was executed on June 8th, and Messrs. Mansfield and Company then bound themselves to supply one-half of the scantlings still remaining undelivered by June 26th, and the other half by July 16th. A deposit of Rs. 250 was made to ensure fulfilment.

7. But the agreement was not fulfilled, and, accordingly, on July 17th, after repeated warnings, I gave the firm formal notice that it was cancelled; that their deposit was forfeited, and that the immediate liquidation of the amount remaining due by them to Government must be exacted. This amount is Rs. 2,863-9-11, the balance of the original advance of Rs. 5,250 having been met by the value of the scantlings furnished.

8. The firm pleaded for delay, and I accorded them up to the 5th instant to make good their debt; but the 5th passed without any payment being made, and, in reply to an inquiry, they requested me to give them till the 15th instant, alleging that the bills of lading of some produce on the West Coast would reach them by that date, which would enable them to obtain the necessary advance of funds.

9. But as, from inquiries I had made, I judged that the commercial standing of the firm was not of the highest, I refused, in the letter of which I attach a copy, to consent to any further delay; and I have now the honor to report that I propose to place the matter in the hands of the Government Solicitor, and to request your sanction to that course.

10. Such are the circumstances of the case. In the way of comment on them, I will only add that it is unfortunate no regular agreement was made with the firm in the first instance. In fact, I might go so far as to say that the purchase of any logs from them, and especially of logs lying at Pondicherry, was unfortunate. From the fact of the firm requiring an advance merely to cut the logs into scantlings, and to bring the latter to Madras, it may be reasonably surmised that the logs were not really the property of the firm, and that the Rs. 5,250 only enabled Messrs. Mansfield and Company to effect a whole or part purchase of them; and the fact of the purchase being made in foreign territory undoubtedly gives Government less legal hold over the firm. In any case it was practically impossible—the logs being at Pondicherry—to carry out the arrangement made by Mr. Chisholm, to sell the wood back to the firm log by log. They had perforce entire control over the wood, no delivery in its legal sense having ever, I understand, been taken; and, from the fact of Mr. Bremner steadily refusing to give me delivery of the logs stated to be still there, I have no doubt whatever that either the whole of the wood never did belong to the firm, or that, if it did, the balance undelivered has now been otherwise disposed of.

11. It is possible that the firm are anxious to liquidate the claim of Government, but they are *very* small people, and I think legal pressure must be brought to bear on them, the more so that, if they have not at Pondicherry the balance of the original 70 tons, they have most distinctly been guilty of dishonesty.

12. In any case the circumstances have been most unfortunate; for the failure to supply the scantlings has caused serious delay to the progress of the new post and telegraph offices. This, though inevitable, is much to my regret; but, I may add, I have now made other and satisfactory arrangements with regard to the timber supply.

From C. VINCENT, Esq., Officiating Consulting Architect to the Government of Madras, to the Chief Engineer, Public Works Department, dated Chepâk, 30th October 1883, No. 914.

As promised in my letter, No. 907, of the 25th instant, I have the honor to forward, herewith, a complete copy of all the correspondence that passed between this office and Mr. Bremner, of the defaulting firm of Messrs. Mansfield, Bremner, and Company. The original contract certificate is also forwarded.

1 Contract agreement.
1 Book of correspondence.

2. These papers, taken in connection with my letter to you, No. 528, of August 9th, 1883, form a complete statement of the case.

3. The case continues to be watched on behalf of Government by the Government Solicitor, and Mr. Bremner is said to be in custody and on his way back here; but it is extremely improbable that any of the balance remaining due by him will be recovered.

From Major J. L. L. MORANT, R.E., Officiating Consulting Architect to Government, to the Chief Engineer, Public Works Department, dated Chepâk, 4th February 1884, No. 1459.

I have the honor to enclose, for information and orders of Government, copy of this office letter, No. 1426, dated 25th January 1884, to the Government Solicitor, Madras, and his reply thereto, No. 66, dated 30th January 1884, on the subject of the insolvency of the firm of Messrs. Mansfield, Bremner, and Company.

2. The amount due by the firm, viz., Rs. 2,863-9-11, is now shown as an advance and debited to the new telegraph office work at Madras.

From E. BARCLAY, Esq., Government Solicitor, to the Secretary to Government, Public Works Department, dated Madras, 7th February 1884, No. 82.

In reply to your memorandum, dated 6th instant, No. 277 C., I beg to inform you that I am watching the criminal charges against Mr. Bremner. The hearing of these charges has, however, been adjourned to next month.

2. I can see no ground for Government bringing a criminal charge against Mr. Bremner. His case is merely one of breach of contract by failing to deliver certain timber his firm had contracted to supply to Government, and for which they had been paid in advance. The fact that some of the timber was delivered according to contract would negative any idea of a criminal intention on Mr. Bremner's part when he obtained the advance from the Government Architect.

Order—dated 14th February 1884, No. 396 W., Public Works.

The papers above recorded have reference to a transaction entered into by the Consulting Architect to Government, Mr. Chisholm, with the firm of Mansfield, Bremner, and Company, for the supply of timber for works under execution at Madras. The facts of the case, as shown by the record before Government, are as follow.

2. In March 1883, a large quantity of teak-wood scantlings was required for the new post and telegraph office at Madras, and a tender for the supply was accepted by Mr. Chisholm from the firm of Mansfield, Bremner, and Company.

3. That firm were, however, unable to deliver the scantlings by the stipulated time, and applied to Mr. Chisholm for aid in the shape of an advance of funds. As the rules of the Public Works Code preclude such advances being made, Mr. Chisholm agreed to *purchase* from the firm a quantity of timber in bulk, then lying at Pondicherry, which was to be sold back to them, log by log, to be converted into scantlings.

4. On the 21st March, Mr. Lennon, the sub-divisional officer, was deputed to Pondicherry, whence he wired to Mr. Chisholm as follows:—"Have measured up 70 tons, please pay for 35 tons today on bill of sale signed by vendors." A cheque for Rs. 5,250 was thereupon sent to Messrs. Mansfield and Company together with a bill for signature, providing for the sale of 1,750 cubic feet of teak-wood, valued at Rs. 3 per cubic foot. This bill was duly signed and returned to the Consulting Architect.

5. It would appear that no steps were taken by the Consulting Architect to obtain actual delivery of the timber which he thus purchased. Of the 70 tons measured up at Pondicherry, only 35 tons were paid for; and there is nothing to show that these 35 tons were specially identified and separated from the bulk.

6. To the inexactness of the transaction in this particular is now due the probable loss, which is the immediate subject of the present correspondence.

7. The firm had entire control over the logs lying at Pondicherry. Some of these were converted into scantlings and delivered at the works at Madras; but it would appear that the logs thus converted were not actually sold back in detail to Mansfield and Company, as agreed upon. Such an arrangement was, in fact, impracticable; there being no Public Works establishment at Pondicherry to carry on such a completed transaction. The firm thus had entire control over the timber; cut some of it into scantlings for the Public Works Department, and made away with the rest. The security which Mr. Chisholm had in view, by *purchase* of the timber, disappeared; and the sum of Rs. 5,250 paid to Mansfield and Company resolved itself into an *advance*, with no security whatever. The advance was worked out to the extent of Rs. 2,386, being value of scantlings delivered from time to time, leaving Rs. 2,864 still unadjusted.

8. The present representative of the firm, Mr. Bremner, is now undergoing, at Madras, criminal prosecution by private persons for other alleged malpractices. The Government Solicitor has been watching the case on behalf of Government, with a view to a *civil suit* ultimately. The assets of the firm are, however, problematical, and the Government Solicitor considers that there are no grounds for a criminal prosecution by Government in connection with the case above detailed.

9. The papers will be forwarded to Mr. Chisholm, for such explanation as he may have to offer; and he will be requested to show cause why he should not be held personally liable for any loss which Government may sustain.

(True Extract.)

(Signed) J. SHAW-STEWART, Colonel, R.E.,
Secretary to Govt., P.W.D.

To R. F. Chisholm, Esq., Consulting Architect to Government,
(through the India Office).
,, the Acting Consulting Architect to Government.

Exd. E. Fernandez.
Spare Copies

GENERAL.
ESTABLISHMENT.

Govt. of {1884} Madras.

PUBLIC WORKS.

Dated February, 14th.

Recd.

Encl.

G.O., 14th Feb. 1884, No. 396 W.

FEBRUARY.

Messrs. Mansfield, Bremner, and Company

Mr. Chisholm called upon for such explanation as he may have to offer regarding his transactions with — for the supply of timber, and to show cause why he should not be held personally liable for any loss which Government may sustain thereby.