(1) பக்கங்களின் எண்ணிக்கை 6

(2) புதுக்கித் திருப்பிய நாள் Oct 1990

(3) ஆதாரங்குறிப்பவர் சுருக்கொப்பம்

தமிழ்நாடு ஆவணக் காப்பகம்.

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தமிழ்நாடு அரசு

P.W.D. துறை

அரசாணை எண். மு. கோப்புத் தாள் எண். 2268	அச்சகம் பலவகை
நாள் : 21-8-1891	198 .

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17TH JULY 1891, No. 604, FINANCIAL.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ— the following paper :—

Proceedings of the Government of India, Finance and Commerce Department, dated Simla, 25th June 1891, No. 2650.

Read—again the following papers :—

(1) Resolution by the Government of India, Department of Finance and Commerce, No. 185, dated 10th January 1883, consolidating the existing rules regarding the procedure to be employed in obtaining for the public service supplies of stores of other than Indian origin or manufacture.
(2) Despatch from Secretary of State, No. 141 (Financial), dated 26th May 1887.
(3) " " " " 191 (") " 26th July 1888.
(4) " " " " 192 (") " " " "
(5) " " " " 52 (Military Stores), dated 30th Aug. 1888.

Read also—

(6) Despatch to Secretary of State, No. 65 (Accounts and Finance—Stores), dated 5th March 1889.
(7) Despatch from Secretary of State, No. 161 (Financial), dated 25th July 1889.
(8) Letter from Messrs. Richardson and Cruddas, Bombay, dated 8th July 1890, forwarding a memorial from the representative Manufacturing Engineers and Ironfounders of India, regarding the restrictions imposed by the Government of India on officers of the Public Works Department against the purchase of iron work of local manufacture.
(9) Despatch to Secretary of State, No. 338 (Accounts and Finance—Stores), dated 15th October 1890.
(10) Despatch from Secretary of State, No. 3 (Financial), dated 8th January 1891.

Resolution—

1. In paragraph 28 of Resolution, No. 185, dated 10th January 1883, the policy of the Government of India in regard to the purchase in India of articles of local manufacture required for the public service was expressed in the following terms :—

Paragraph 28.—The orders of the Secretary of State make it incumbent on all officers of Government requiring stores of European manufacture to obtain them by indenting on the Secretary of State, and permit of the purchase in the local market of articles made in Europe or America only under the special circumstances mentioned in paragraph 3 of this Resolution. The Governor-General in Council therefore desires again to invite the special attention of Local Governments to the expediency of supplying the wants of Government by the purchase in the local market of articles of *bona fide* local manufacture. The Government of India is desirous to give the utmost encouragement to every effort to substitute for articles now obtained from Europe articles of *bona fide* local manufacture or of indigenous origin ; and where articles of European and of Indian manufacture do not differ materially in price and quality, the Government would always be disposed to give the preference to the latter ; and the Governor-General in Council desires to remind all officers of Government that there is no reason why articles manufactured in India should not be obtained locally, even although the raw material necessary to their manufacture may have been originally imported from Europe. It is most desirable to bear in mind the distinction between articles of European manufacture and articles produced or worked up in India from imported material ; the former should not, save in exceptional cases, be purchased in the local market, while the latter should by preference be purchased locally whenever the quality is sufficiently good, and the price not higher than the cost of laying down the imported article. There are many articles which may not be immediately obtained in the local market, but which can be made in the event of Government encouraging the manufacture.

The special circumstances mentioned in paragraph 3 of the same Resolution (as amended by Financial Resolution, No. 2586, dated the 23rd May 1889), in which the purchase in the local market of articles made in Europe or America is held to be permissible, are as follows :—

1*st*, when for any special reason it may be more economical to do so;

2*nd*, when stores indented for from England have not arrived, or when a sudden emergency has arisen, and in either case only if serious inconvenience to the public service would be caused by waiting for the stores from England;

3*rd*, when the articles are perishable.

2. Some misconception appears to have arisen regarding the application of paragraph 28 of Resolution, No. 185, dated 10th January 1883, to manufactured articles of iron and steel. The term "raw material" used therein, the import of which from Europe for the purpose of being worked up into finished articles was declared to be unobjectionable, was held in some quarters to apply to the bars and plates of iron and steel which are made up into bridges, roofs and other finished engineering structures. This, however, was not the intention of the Resolution. It was considered by the Government of India in regard to manufactured articles of iron and steel, that they were classes of stores to which the objections to local purchase applied in the highest degree, mainly on the grounds (1) that much of the material imported into India was of inferior quality; (2) that the delays that unavoidably occur, even in England, on account of the rejection of material, would be aggravated in India, with consequences ruinous to the contractor and most injurious to Government; (3) of the absence in India of the necessary mechanical and chemical appliances required for testing iron and steel; and (4) of the loss of the economical advantage secured by free competition, which could not be obtained in India owing to the limited number of capable firms.

On these grounds the purchase in India for the public service of manufactured articles of iron and steel was prohibited, except under the special circumstances mentioned above.

3. Having regard, however, to the representations contained in the memorial read above, and with the view of encouraging local industries and the development of technical education, His Excellency the Governor-General in Council has now resolved to modify, as a tentative measure, the existing orders prohibiting the local purchase of manufactured articles of iron and steel made up from imported materials. In so doing, the Governor-General in Council desires it to be clearly understood that this relaxation of existing rules is sanctioned solely in the hope of thereby effecting economy in the public administration, both by actual saving in the cost of articles purchased locally and by avoiding the delays that are sometimes inevitable when the articles have to be procured by indent on England. It is not intended to sanction thereby a procedure in any degree of a protective nature, and firms that may obtain orders under this Resolution must be distinctly warned that no claim for compensation of any sort will be admitted in the event of its being found necessary to discontinue the practice of inviting tenders in India.

4. In the annexure to this Resolution is a list of articles, tenders for which may, in the opinion of the Governor-General in Council, be invited in future from local firms. It is not necessary that there should be an absolutely rigid adherence to the items specified. Tenders for any articles of the nature indicated in the list may be invited, but it should be understood that articles on which very little labour in India is required can be best procured through the Secretary of State. It is also intended that the relaxation of the rules regarding local manufacture shall be limited to the less important supplies, *e.g.*, bridges and roofs of *small* span required for the Buildings and Roads and Irrigation Branches of the Public Works Department and for Municipalities and District Boards. In the case of Railways under construction, the whole of the necessary supplies, as far as can be foreseen, will continue as heretofore to be procured by indent on the Secretary of State. The relaxation of the rules will refer only to articles the certain want of which could not be anticipated and delay in supply of which would involve loss in some respect.

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5. The following restrictions must also be rigidly enforced in all cases in order to ensure—

(1) that the articles locally supplied are not imported into India in a finished or partly-finished state;

(2) that the price is not in excess of that at which similar articles could be obtained by indent on the Secretary of State; and

(3) that the quality is not inferior to that of English supplies.

I.—*Firms that may be permitted to tender.*—It is evident that a most careful selection must be made of the firms allowed to tender, and only firms of recognised standing and whose shops are fitted with the necessary plant will be considered eligible. Local Governments and Administrations are therefore directed to furnish the Government of India with a list of the firms within their jurisdiction that they consider should be entitled to the privilege of tendering. The lists should state the principal machines in the shops of each firm, and the means possessed for testing both the raw material and the finished product.

II.—*Checks to ensure that the Articles are manufactured in India from the raw Material.*—Raw material may be understood to mean wrought iron and steel in the form of plates and bars, cast iron in the shape of pig, and steel forgings in the shape of bars and ingots. Local manufacture from raw material imported in these shapes may be permitted, but the contracts for all local supplies of articles of iron and steel should contain a clause insisting that the articles, with the exception of the raw material thus defined, must be made wholly in India. A certificate from the firms to which orders may be given should also accompany the delivery of each order to the effect that this clause of the contract has been complied with. With this object in view, Local Governments and Administrations should also arrange for periodical or other inspections of the Government orders under execution by the selected firms.

III.—*Check as regards the relative Prices of English and Indian Supplies.*—The best check will be furnished by a comparison of the tenders received from Indian firms with the quarterly rate-lists issued by the Director-General of Railways. In cases of doubt, Local Governments and Administrations might ask the Director-General of Stores at the India Office by telegram* for approximate rates, including the prevailing rates of freight.

* Either direct or through the Government of India according to the rules regulating the despatch of Foreign State messages.

IV.—*Testing of the raw Material employed and when necessary of the finished product.*—With the system of careful selection that is prescribed, the Government of India is convinced that the selected firms would be careful to employ material of none but the best quality. To ensure this, however, the contracts should also provide for the employment of steel in the majority of cases in preference to wrought iron, and it should be insisted that Siemens Martin or Bessemer steel of English make should be used, and the use of Basic steel and of foreign steel or iron in any form should be prohibited. In the case of articles of any importance it will be necessary, however, to test the raw material employed. It is believed that some of the engineering firms interested in local manufacture either possess, or are prepared to erect, the necessary testing plant. This should be insisted upon so far as possible. Another means of testing the raw material will be by sending samples for the purpose to the Railway workshops which exist in all the large centres, and which are generally provided with some testing plant. Enquiry will be made by the Government of India in what Railway shops the necessary tests could be carried out, and the scale of fees that would be charged. Such fees would be payable by the manufacturing firms in all cases. The tests will invariably be carried out in the presence of a competent officer of the Public Works Department, and all specifications for articles to be locally supplied will specify the tests which the material employed is to undergo. To assist Local Governments and Administrations in preparing such specifications and in the carrying out of the tests, they will be furnished with copies of Professor Unwin's handbook on "The Testing of Materials of Construction." Should it subsequently be found necessary, Government will be prepared to arrange for the erection of adequate testing machinery at selected centres.

In cases where structures, such as roofs and bridges of small span, are locally manufactured, the contract should in all cases provide for the efficient testing of the finished structure before delivery, either in the shops of the manufacturer or else in those of the nearest Railway Company.

Order—

Ordered, that this Resolution be communicated to the Local Governments and Administrations noted on the margin, for information and guidance.

The Governments of Madras, Bombay, Bengal, the North-Western Provinces and Oudh, and the Punjab.
The Chief Commissioners of the Central Provinces, Burma, Assam, Mysore, and Coorg.
The Resident at Hyderabad.
The Agents to the Governor-General in Central India, Rajputana, and Baluchistan.

Ordered also, that a copy be forwarded to the Military and Public Works Departments, and that it be published in the Supplement to the *Gazette of India*.

(Signed) J. E. O'CONOR,
Asst. Secy. to the Govt. of India.

ANNEXURE.

LIST of Articles which may be made up in India from imported raw materials, subject to the restrictions specified in paragraph 5 of the Resolution.

ROOFING.

Roof trusses under 30 feet span with purlins, &c.
Ironwork for timber trusses.
Cast-iron columns of small size.

BRIDGE-WORK.

Bridges of simple design and of small span, also bridges of which only a small number of such spans of similar design are required.
Well-curbs.
Suspension rods and bond rings for wells.
Straps and bolts for timber bridges.
Pile shoes and rings.
Cast-iron cylinders and screw piles.
Petty ironwork, such as holding down bolts, &c., sizes of which cannot be known until works are started.

MISCELLANEOUS.

Cast-iron sleepers.
Cast-iron pipes, special lengths, such as are required for closers, special bends, &c.

MISCELLANEOUS—*cont.*

Wrought-iron signals.
Signal winches.

PLANT.

Workshop stores, except tool steel and varnishes.
Trolly wheels and axles.
Iron-work for trollies.
Mining tubs and buckets.
Ironwork for tip wagons.
Asphalte boilers.
Iron cisterns.
Dobbin carts.
Hand pile driving engines (all necessary iron work).
Grapnels.
Small mortar mills.
Concrete skips.
Wall boxes for shafting.
Small cupolas.
Hand foundry ladles.
Cold and hot sets or chisels.
Snaps for rivetting.
Fire buckets for rivetting.
Dollies.

ORDER—dated 17th July 1891, No. 604, Financial.

Communicated to Departments of Government.

(True Extract.) H. W. Bradley

Assistant Secy. pro tem.
for Chief Secretary.

To the Departments of Government.
" Heads of Departments.

Exd. A. Raitt.

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Govt. of {1891} Madras.

FINANCIAL.

Issued

Read. Encl.

G.O., 17th July 1891, No. 604.

JULY.

Stores.

Communicating to Departments of Government resolution of the Government of India modifying, as a tentative measure, the existing orders prohibiting the local purchase of manufactured articles of iron and steel made up from imported materials.

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No. 2268 Wy 20 Augt 91

Communicated to
Officers of the P. W. Dept.
for information & guidance, with reference to the rules in appendix G Public Works Code.
2. The Supdg Engr. V Circle will report with reference to clause I, para 5 of the Govt of India Resolution.

O.W.B. 13.8
11.8.91

To the Ch. E for Irrign. & B.C.
" C. E. for Rys.
" Supdg Engrs
" Co-A. to Govt
" Supt of W. P. Project
" Exec. P. W. Accts
"

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Ac 73 1/11
Ac 13 1/11