

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 182

Press
~~Mis.~~

Dated 15 - 3

1868

B. No. 2-3-

188

Not to be folded or roughly handled

No. 2. From G. L. PRENDERGAST, Esq., Accountant General; to the Chief Secretary to Government, dated 10th March 1858, No. 376.

SIR,

1. I have the honor to acknowledge the receipt of the Extract Minutes of Consultation in the Financial Department, No. 153 of the 6th Instant, referring, for any remarks that I may have to offer on it, a letter from the Secretary to the Government of India of the 29th Ultimo, and its enclosures. These enclosures are a letter from Mr. Ricketts, the Commissioner for Revision of Civil Salaries and Establishments throughout India, recommending that an Officer be deputed from Calcutta to explain and superintend the introduction here of the Bengal System of Accounts, and the order of the Supreme Government to Mr. E. F. Harrison, 1st Assistant Accountant General. The Madras Government are to associate with him an Officer or Officers and these Officers jointly are to superintend personally its introduction into the Madras and two neighbouring Collectorates, and the Madras Officer is then to go from Collectorate to Collectorate for the same purpose throughout the Madras Presidency.

2. I beg to report for the information of Government, and for intimation to the Government of India, that I have again revolved the matter in my mind and that I cannot bring myself to believe that there is any occasion whatever to depute an Officer from Bengal for the purpose of affording personal explanations or instructions to the Madras Officers for introducing the Bengal System of Account in their Treasuries. I expressed the same opinion in para: 9 of my letter to your address, dated the 28th September 1857.

3. The only reason traceable from the present correspondence which may have given cause for the present order of the Supreme Government deputing Mr. E. F. Harrison, 1st Assistant Accountant General to the Government of India, to proceed to Madras, for the purpose of explaining the Bengal System of Account and superintending its introduction in two or three Districts in our neighbourhood, is the recommendation of the Commissioner for the revision of Civil Salaries and Establishments throughout India, that the plan of sending an Officer should not be abandoned. Now, if that recommendation can be shown to have been founded on latent error and supported by misapprehension on his part, I am sure the Commissioner himself will confess that the superstructure falls to the ground. The basis of the Commissioner's recommendation rests upon these four points:

Para: 7 of the Commissioner's letter.

1st. That it appears to the Commissioner that misapprehension exists in Madras as to the peculiar properties of the two Systems.

2dly. That from my remark "an annual Treasury Account is received from each District, and is employed to check the monthly Treasury Account," it appeared
Same Para: to the Commissioner that I myself do not entirely understand the Bengal System.

3dly. That it is only by the plan proposed of sending an Officer to Madras, that uniformity will be secured and misunderstanding and much correspondence be avoided.
Para: 8.

4thly. That it is only by enquiry, District by District throughout the Presidency, that the possibility of reducing the Establishment in the Department of Accounts, when the new system shall have been introduced, can be ascertained.
Same Para:

4. I beg to submit my observations in respect to these points in the order I have taken them.

5. In regard to the 1st, I would mention that it would be unbecoming now for Madras Officers to argue further the question of the two Systems, the Bengal System having been elected by the Supreme Government. The form for the monthly Treasury Account of a Collector framed

* *With the letter from the Financial Secretary to the Government of India, dated 4th February 1856, No. 498, Extract Minutes Consultation of 20th of the same month.*

by me, in reference to the one received* from Bengal, has now been printed and will be despatched to all the Collectors for adoption from May 1858 as ordered. I should never have written a word against the proposed system, if I had not understood that the expression of my opinion was invited. All my arguments rested on the system of Account Current and of Book-keep-

ing by double entry. There is nothing whatever in the Bengal system, which requires a Bengal Officers' Superintendence to secure its introduction here. Forms and instructions are all we want. These we have to a certain extent before us in the Printed Book of correspondence received from Bengal, with the letter quoted in the margin of this para :

6. I am now in communication with the Accountant General to the Government of India to obtain the necessary further information and will use the same means as occasion may require. Mr. Harrison will not be an ambulatory Accountant General's Office and though he comes, we shall nevertheless have to correspond with the Accountant General's Office in Calcutta. For instance, correspondence* has been going on, which his presence here would not have obviated ; and I am now writing to Calcutta to ask what I am pretty sure Mr. Harrison, solus, will not be able to tell : and to reply to me,—he would himself have to refer to his Office.

7. On the 2nd point which touches me personally but is the most important, as the Commissioner's proposition rests mainly upon it, I regret to be under the necessity of pointing out the Commissioner's misapprehension of the fact of the matter. The correspondence may have misled him, but when he cites, (by way of an example, that I do not entirely understand the Bengal system,) the remark "An Annual Treasury Account is received from each District, and is employed to check the monthly Treasury Account" as mine he quotes *ipsissima verba* of the Honorable E. Drummond, the Accountant to the Government of Bengal, now Accountant General to the Government of India. The Supreme Government can at once discover this to be the case by

turning to the conclusion* of para : 4 of Mr. Drummond's letter to their Financial Secretary, dated the 12th November 1855. The remark was naturally adverted to in my subsequent correspondence† and the Commissioner not knowing better attributed it to me. From this apparently emanated the order for deputing Mr. Harrison to Madras. Of course I can only understand the Bengal system as explained by the Accountant to the Government of Bengal, now Accountant General to the Government of India, and the Commissioner will be able to settle with him whether the Commissioner is right in his conclusion‡ "that the only use of the Annual Treasury Accounts furnished by Collectors was to save the

* I put the words here in margin for ready reference "an Annual Treasury Account is also received from each District which is employed to check the monthly returns and is likewise submitted in a separate form through Government to the Honorable Court of Directors."

No. 1740.
† Vide para : 10 of my letter to Government, dated 29th November 1856.
‡ Vide para : 7 of his letter, dated 7th January 1858.

"trouble of compiling Annual Accounts from the monthly Accounts in the Accountant's Office which would be necessary if Annual Accounts were not received from the Mofussil Treasuries," or whether the Accountant is right in his view which the Commissioner thought proper to condemn as arising from "not entirely understanding the Bengal system."

8. To ascertain for which precise purpose the Annual Treasury Account is received in Bengal from Collectors, I have yet to seek further information from Calcutta. I am asking in my letter to Calcutta adverted to in para : 6 of this letter, whether the Annual Account which is stated* to be sent "in a separate form" to the Honorable Court of Directors is prepared in the Accountant's Office in Bengal, or by the Collectors themselves, and, if by the Collectors, what means they have of preparing them, so as to coincide with the entries in

the General Territorial Books and the General Annual Accounts of actual receipts and disbursements framed in the central Office of Account, since, as I understand from the correspondence, no reversals or adjustments of erroneous entries under wrong heads or errors in amounts are communicated by it to the Collectors.

9. In reference to the 3rd point, I can only repeat that no discernible advantage will result from the deputation of a Bengal Officer to Madras, since uniformity can be secured in the intro-

duction of the proposed system, without any difficulty whatever, by printed Forms and circular instructions being sent to Collectors from this Office. For the materials of these, I have already applied, and will of course apply for more, when necessary, to the Accountant General to the Government of India.

10. There need be no misunderstanding in framing the Treasury Accounts in the Bengal system, if that is properly explained by Circular instructions from this Office : though the modes of Collections may differ, and the terms and heads of account used in the public accounts, and other circumstances peculiar to the Districts under this Presidency are, I believe, in several instances, at variance with those in the provinces under Bengal.

11. The Deputation of an Officer from Bengal will certainly entail much more expence than the trivial postal charges of correspondence which may be needed, and when I say there is no occasion for a Bengal Officer to come here to superintend the introduction, I do not speak at random or without example. The Paymaster of the Hyderabad Subsidiary Force has, for many months, rendered the accounts of the Hyderabad Contingent to the Accountant General to the Government of India on the Bengal system, without any difficulty whatever, no separate Officer was deputed to him. He was merely furnished with forms and instructions and a Collector's Accounts are not more difficult, certainly, than a Paymaster's.

12. What is the grand argument for introducing the Bengal system universally, as preferable to the Madras double entry system? Is it not the simplicity of the former, which the Accountant General to the Government of India has asserted* that "any Officer or any Clerk of average intelligence, however deficient in a knowledge of the art of Book-keeping, may understand and master in a few days, and which, from its simplicity and facility of check, may obviate as far as possible the risk of error." And so easy is the system that the Accountant General to the Government of India, in para : 23 of his letter just cited, boasts "that all other

(than the General) Treasury Accounts, including those of Oude, Hyderabad, Nagpore, notwithstanding the many difficulties arising from new Provinces from the inexperience of Officers and Clerks, may be stated generally to be received in his Office within 6 weeks."

13. In the Madras Offices, the Collectors have been keeping the more difficult form of Accounts without any imputation whatever of dereliction, or ignorance of duty ; and yet the Supreme Government desire to send down a Bengal Officer* to teach the Collectors, all of whom are much his seniors, how to keep the easier accounts.

14. The only remaining point to be noticed is the 4th. I cannot concur with the Commissioner, that it is only by enquiry, District by District, that the possibility of reducing the Establishment in the Department of Accounts, when the new system shall have been introduced, can be ascertained.

15. In para : 7 of my letter to Government of the 28th September 1857, I intimated an opinion that the further reference to subordinate Officers had better be deferred until the Bengal system had been practically introduced into their Offices when we should all be more competent to judge of the practicability or impossibility of a reduction of Establishment. The Government of India in the letter from their Secretary to this Government, dated 30th November last, remark that they doubted the advisability of delaying the enquiry and therefore committed it to Mr. Ricketts, the Commissioner, who, they added, is well acquainted with the requirements of the Bengal Collectors' Offices and will therefore conduct the enquiry more satisfactorily than it could be by myself. For this purpose, they forwarded to him a copy of the then correspondence on the subject. Mr. Ricketts communicated with me personally, when I handed over to him my circular to Collectors, &c., and all their original replies on the subject of the proposed reduction of Establishment, together with a copy of my printed reports to Government, dated the 29th November 1856, and 28th September 1857.

16. Certainly the Commissioner's own example can hardly be cited as a precedent. To revise the Establishments of the Madras Territories he did not go from Collectorate to Collectorate.

3

Fort Saint George, Financial Consultation, 19th March 1858.

He came to the Presidency and remained here for a while and then went on to the Neilgherries. I am of opinion that he was quite right. He could have gained nothing more by visiting every Office within the Madras Territories than by obtaining the requisite papers to enable him to form his conclusions. I do not see that the Collectors have done any thing, in the matter of reporting, to warrant the proposed visitation, since the Commissioner himself says in this very letter, para: 6, "it appears to me that there would be no decrease of labour consequent on the change."

17. Of *all* the Officers consulted, two only said that reduction would be feasible. Why not then trust all the Officers to report again when the Bengal system shall have been introduced whether any and what diminution of Establishment is practicable. Cannot the Collector, who knows what his executive is able to perform, be trusted to report whether he can spare a hand or say $\frac{1}{2}$ a hand, supposing there be an opening for this last slight diminution. If that last amount of work be saveable in the Provinces, it will fall on the Accountant General's Office, no Clerks can then be spared from them but certainly additional clerks will be required at the Central Office of Account, for the change involves rather a transfer, than a saving of work. It will tend to derogate much from the character of every Collector in the eyes of his Establishment, if it be found that the Supreme Government think it necessary to depute a special Officer to do the Collector's own duty in this trifling particular, *viz.*, whether or not a small reduction can be discovered in his account Establishment.

18. It may be here remarked, as Mr. Ricketts himself observed*, "that labor will be much increased." I mean in the English Account Department of the Collectors by
* *In Para: 6.* reason of their being required, by the proposed change of system, to keep the Account in English from the very commencement of the daily transactions in the Collector's Treasury and be a check on the Treasurer. There may possibly be a slight

decrease in the work of some Tamil or Teloo
† *Whose salaries are trifling generally.* Gomastahs† who now keep the details of Treasury Accounts in the Oriental languages, but here

again arises another question; can any and what portion of these Gomastahs be discontinued without abandoning the check maintained over these details by the Sheristadars of the Collectorates; a question to be decided by the Revenue Authorities. I mean the Board of Revenue and the Revenue Secretary to Government. I do not myself believe it to be competent for the Office of Account and Finance, or any of its Officers deputed for the purpose, to order any portion of the accounts to be dispensed, with which may be kept in a Collector's Cutcherry in the Oriental languages, which the Collectors or the Board may think, serve as a check by their Sheristadar's Department.

No. 3. To THE SECRETARY TO THE GOVERNMENT OF INDIA, Financial Department, dated 15th March 1858, No. 182.

SIR,

I am directed by the Right Honorable the Governor in Council, to acknowledge the receipt of your letter under date the 29th January last, forwarding copy
Received on the 1st Instant. of a communication from the Commissioner for the Revision of Civil Salaries and Establishments, intimating that, in accordance with his recommendation, the Supreme Government have deputed Mr. E. F. Harrison, 1st Assistant Accountant General to the Government of India, for the purpose of explaining at Madras the Bengal System of Accounts and of superintending its introduction into two or three Districts in the neighbourhood of the Presidency, and requesting that this Government would appoint one or more Officers at Madras to be associated with Mr. Harrison, on his arrival, for the performance of the duties on which he has been sent.

2. In reply I am desired to state that on Mr. Harrison's arrival, the Government will be prepared to associate with him, one of their Officers and will afford them both every facility and assistance for carrying out the duties which they will have to discharge.

Fort Saint George, Financial Consultation, 19th March 1858.

3. At the same time, with a view to removing some misapprehension which would seem to be entertained upon the subject, but in no wise with a wish to continue the previous discussion, I am directed to forward, for submission to the Government of India, the accompanying copy of a letter from the Accountant General at Madras, to whom your letter now acknowledged and its enclosure were communicated.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. J. A. Wilson.

4
Memo.

I have just received this and
sent it in circulation. 82/5/11

I do not however see much
use in objecting to Mr Harrison's
deputation seeing that he was put
in order for his duty at the same
time that his deputation was
announced to us, and will
probably be here by the next steamer,
and seeing too that he has been
sent in the face of the best seals.

11/9/58

When the 2 forwarded the 2nd

It is not sent before the instructions

plan being the air reported

L. d.

Financial. Depart^{mt}

N. 182.

Secretary to Govt of India
Financial Dept.

rec'd on the 1st inst.

A.

Wm

I am &c to acknow-
-ledge the receipt of your
letter under date the 29
January last, forwarding
copy of a communication
-tion from the Commis-
-sioner for the Revision of
Civil Salaries and esta-
-blishments, in testimony
that, in accordance
with his recommenda-
-tion, the Supreme
Govt. have appointed Mr
J F Harrison 1st Ass^t
Acting to the Govt of
India for the purpose
of explaining at Madras
the Bengal system of
accounts & of superin-
-tending its introduction.

initiate on these Districts
in the neighbourhood of
the Presidency, and re-
-questing that this Govt
would appoint one or
more officers at Madras
to be associated with
Harris on his arrival
for the performance of the
duties on which he has
been sent.

2. In reply I am desir-
-ous to state that on
Mr Harris's arrival
the Govt will be prepared
to associate with him
one of their officers, and
will afford them both
every facility & assis-
-tance for carrying out
the duties which they
will have to discharge.

3. ~~As~~ At the same

Note - Mr Harris arrived
by the last steamer
19th / signed J.P.

time, with a view to
clearing some mis-
-apprehension which
would seem to be
entertained upon
the subject, ^{but} and in
no wise with a wish
to continue the previous
discussion, I am
directed to forward
for submission to the
Govt of India, the accom-
-panying copy of a
letter from the Account-
-ant Genl at Madras,
to whom your letter has
been acknowledged & is en-
-closed for your con-
-sideration.

Fort St George
15th March 1858.

J.
Asst General
10/6

Manual 21st to 24th Aug^r
1855

Aug. 22-2-11 ✓

At 15th Jan 19
Annals 1858 & 1859

1850 1852

At 15th Jan 19
Annals 1858 & 1859

1850 1852

2-3

1850 1852