

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 442

Press
Min.

Dated

2. 7.

1858.

B. No. 26-27 2-9

Not to be folded or roughly handled

Fort Saint George, Financial Consultation, 2nd July 1858.

No. 25. Extract from the Minutes of Consultation in the Revenue Department, dated 24th June 1858, No. 809.

(*Fide Diary to Consultation, 2nd July 1858, Nos. 8 and 9.*)

(*Communicating the suggestions offered by Messrs. Harrison and Brooks for the reduction of the Establishment of the Collector of North Arcot, and the revision of the rates of salary of certain Servants on that Establishment to the Board of Revenue, for their information and for such remarks as they may have to offer on them.*)

No. 27. ORDER THEREON, No. 442; dated 2nd July 1858.

To be Recorded.

(Signed) T. PYCROFT,
Chief Secretary.

Extract from the Minutes of Consultation under date the 21st June 1858.

Read the following Extract from the Minutes of Consultation in the Financial Department under date the 17th May 1858, No. 518.

Read the following letter from Messrs. E. T. HARRISON, and J. BREEKS; to T. PYCROFT, Esq., Chief Secretary to Government of Fort Saint George; dated 30th April 1858.

Sirs,

With reference to the orders conveyed in the papers noted in the margin, regarding the introduction of the Bengal system of Account into the Madras Presidency, we have the honor to submit the following report of our proceedings.

1. *Letter, No. 795, from Financial Secretary to Government of India, to the Chief Secretary to the Government of Fort Saint George, dated 25th January 1858.*
2. *Extract from Minutes of Consultation of the Government of Fort Saint George, No. 1196, dated 19th March 1858.*

2. We arrived at the District of North Arcot on the 7th Instant, and proceeded to make a careful enquiry into the existing mode observing in the Office of the Collector of keeping the Accounts both in respect to the nature of the subordinate Books, &c., maintained, their adaptation to the purposes for which they were designed, and the method of distributing the work among the writers or clerks employed in the duty.

3. Before proceeding to describe in some detail the old system, as we found it in operation, it seems proper to refer briefly to the principles of the Bengal system which we have kept in view in the changes we have introduced into this District, and which we now recommend for general adoption.

4. The most obvious feature of the change is the form in which the Collector's Accounts are to be submitted to the Assistant General, namely, that of a classified and balance monthly "Treasury" or "Cash Account" in place of the *Journal*, and on this point we feel that no remarks are required from us.

5. The points however to which our attention has principally been directed, and probably the most important in themselves have been those connected with the internal economy of the Account Department in the Collector's Office. We have endeavored to provide

First, for the complete separation of the Account from the Cash Department.

Secondly, for a more methodical distribution of the work of Account between the Native Account Department, and the English Department of the Office.

Thirdly, for connecting the Accounts of Tahsildars with those of the Collector in the simplest and most effective manner, so as to combine security with the avoidance of all unnecessary repetition and to bring the Collections of Land Revenue into the Public Accounts at an earlier date than is at present the case.

6. We should notice here the two points in which the circumstances of a Collector's Office in this Presidency differ from Bengal so as to render rules framed for one Presidency inapplicable in some measure to the other.

There are First,—that in Madras almost the whole of the receipts are received at and a large proportion of the disbursements of the District are made through the Taluk Treasuries, to which there is nothing analogous in Bengal.

Secondly,—that owing to the frequent absence of the Collector in this Presidency from the Revenue Station it is necessary in certain cases that orders for the payment of money should be issued before the occasion for the disbursement has arisen; this is particularly the case with Pensions. At the beginning of the month, orders are prepared authorizing the Cash-keeper to disburse the pensions which have become due, the actual payments being made, possibly, two or three months subsequently as the Pensions present themselves. In Bengal when a Collector is absent from his Treasury it is the practice for his Assistant or a Deputy Collector to be placed in charge with authority to carry on the ordinary duties in connection with the receipt and payment of money.

	Rs. A. P.	7. The Department of the Cash-keeper or in this District (North Arun) may be said to consist of the individuals named in the margin.
* Cash-keeper	100 0 0	
Head Shroff	40 0 0	
2nd do.	17 8 0	
2 Gamastahs at 19 each	38 0 0	
* Putaps Lalal Gamastah on the Contingent List	10 0 0	
	<u>205 8 0</u>	

8. The Accounts kept in the Department are as follows:

No. 1. *Cash Chittak*. This is prepared in Cash Book Form with English figures, it contains transfers and adjustments of all kinds mixed up indiscriminately with Cash entries. All transactions of the Talook Treasuries find their place in this Chittak, and are introduced in a form which we cannot but consider as artificial and complex. The Chittak is kept in loose sheets which are afterwards stitched into a Book. Each sheet is initiated by the Cash-keeper.

No. 2. *Duplicate Chittak*. A duplicate of the above prepared daily for the use of the Shariat-dar's Department.

No. 3. *Islandamah Pattas*. This is a file of Invoices or Vouchers for the receipt of money, they are pasted into a Skeleton Book.

No. 4 and 5. *Sign Pattas*. Files of the Collector's original orders for disbursements. Two files are kept, one for payments made at the House, the other for payments to be made at the Talooks. The orders are on printed forms, and are filed as in No. 5. A Book is also kept in which the party actually receiving the money enters his name.

No. 6, 7 and 8. *Index Books*. These are short abstracts of all "Sign Pattas" and "Takaada" or miscellaneous orders received by the Cashkeeper.

No. 9. *Bales or Balance Report*. Prepared every ten days, it is required for the Cash Balance Report sent three a month to the Accountant General.

No. 10. *Judicial Patta or Examination Statement*. In this is entered a list of cases as exhibited in the certificate of the Examination of the Provincial Treasuries sent once a month to the Accountant General.

No. 11. *Quarterly List of Fines*.

No. 12. *Bank Note Register*.

No. 13. *Subwarded Patta or Statement of miscellaneous contingent expenses*.

No. 14. *Yamshahar Register or Register of payments of certain allowances chargeable on the Revenue*. Entries in this are made quarterly.

No. 15. *Arakanda or Superannuation Pension List*. Entries are made monthly. There are about 20 Pensions on this list.

No. 16. *Deputy Cash-keeper's Department*.

No. 17. *This Department* is under the charge of the Deputy Cash-keeper and consists of 2 Gamastahs from the Shariat-dar's Department. The Accounts kept in the Department are as enumerated below.*

No. 1. *An Abstract Daily Receipts and Disbursements*. Is an Account burdened with unnecessary detail and is kept in a manner very little susceptible of verification. A month's transactions fill about a quire of foolscap. At the end of the month before the sum under each head are tallied up, the whole is compared with a similar Account kept in the English Department.

No. 2. *Famil Journal*. Compiled from No. 1, an English Journal is prepared separately in the English Department. The Demand Sheet only being copied from the Deputy Cash-keeper's Department.

No. 3. *Account Particulars of Advances, &c.* From these are prepared the Account Particulars submitted monthly in English to the Accountant General. The outstanding balances of advances made on account of the service of Government remaining unadjusted are not brought

forward in the monthly Account Particulars of those advances. A separate Statement of advances outstanding under this head is despatched annually to the Accountant General, and seems somewhat deficient in information as to the period for which its component parts have remained unadjusted.

No. 4 and 5. *Demand, Collection and Balance Statement and Comparative Statement of Balances*, prepared from No. 1, and sent monthly in English to the Board of Revenue.

No. 6. *Quarterly Abstract of Demand Collection and Balance* sent to the Accountant General.

This account contains the same information for 3 months as is exhibited monthly in No. 4, but under a somewhat different arrangement, and in a greater detail of years. This difference necessitates a fresh process of abstracting from No. 1; the same preparatory materials used in the compilation of No. 4 being of no assistance in the compilation of No. 6. If No. 6 could be made to correspond in form and detail with No. 4 some labour would be saved this Department.

No. 7. *Month End Abstract* or monthly abstract of the Establishment.

No. 8. *Half Yearly Statement*, for the Accountant General estimates of probable receipts and disbursements for $\frac{1}{2}$ the calendar year.

No. 9. *Extra Revenue Statements*, furnished annually to the Accountant General.

No. 10. *Abstract of Land Revenue* for 15 years do. do. do.

No. 7, 8, 9 and 10. Require no particular remark.

No. 11. *General Fidy Abstract*. A separate Abstract or Abstract book in much detail is kept in this Department to assist in its preparation. The Accountant General has it in contemplation we understand to do away with this return.

No. 12. *Proportionate Estimates*.

No. 13. *Regular Estimates*.

No. 14. *Comparative Statement Actual with Estimate*.

No. 15. *Comparative Statement of Financial Review*.

* Nos. 12, 13, 14 & 15. These* are annual accounts furnished to the Accountant General.

In Bengal they are compiled exclusively in the Accountant General's Office. There seems however a difficulty in applying the same system to this Presidency in consequence of the necessity of taking into consideration certain local circumstances such as the season, &c., which unknown to the Accountant General might considerably affect the return from certain sources of revenue.

There are one or two other subsidiary accounts kept by the writers of this Department chiefly to enable them to check the annual talook accounts.

10. With the exception of the introduction of the Day Book (for description of which vide Rules, para. 11.) and the discontinuance of the Journal we have made little alteration in this Department.

In the room of No. 1 a printed form of abstract (Fide Form E. Nos. 1 & 2.) has been adopted, which will admit of the items being daily posted into it without detail.

A new form (Fide Form H.) of Account Particulars of Advances, after the Bengal system, has been introduced in the place of No. 3. It differs somewhat in form and arrangement from the present account, and gives additional information in respect to the progress made towards adjustment. We think that an Extract from this register sent monthly to the Accountant General's Office in the place of the present return, would be found very serviceable, in enabling that Office to control these advances.

13. A code of instructions for the guidance of Taluk Officers has recently been published under authority. We found however that the rules relating to accounts therein laid down had not been acted upon in this District, (North Arcot,) as owing to the non-availability of the accompanying instructions for the Home Revenue Department, difficulty had been felt in arranging the necessary details.

change now being made. The Rules which we have framed on this part of the subject we should observe merely carry out with an unimportant modification the suggestions contained in a valuable Memorandum by Messrs. Moolally, the Head Unsettled Assistant in the Accountant General's Office, which has already been before the Right Honorable the Governor in Council.

22. The new scheme of Account may be described as consisting of a Cash Book confined exclusively to the Cash transactions of the Treasury. A Day Book kept by the Native Accountant for all transactions, Cash and Transfer of the Honour Treasury. A Daily Abstract in which the transactions of the day will be classified under the various heads of Account prescribed by the Accountant General and in which also will be entered the transactions of the Taluk Treasuries extracted from their several Accounts Current, a monthly balanced Treasury Account prepared from the abstract for the use of the Accountant General's Office, and also an Annual Treasury Account, copy of which will be sent to the Honorable Court with Territorial Journal.

23. Annexed to this Report we have the honor to submit a set of Forms of Account with Rules for their introduction. We would suggest that these Rules should (with the approval of the Accountant General) be circulated at an early date for the use of the several Collectors. We have provided in them for the complete separation of the Cash from the Account Department, all orders for payment by transfer in account are to be addressed in future to the hand of the Native Account Department, instead of to the Cash-keeper, and all orders for payment in Cash are to be entered in the Native Accountant's Day Book, before being discharged by the Cash-keeper, whose duty will be simply that of Cashier.

24. Of the Books described in para. 8 as maintained in the Cash-keeper's Department, Nos. 1 and 2, (the Chittah and Duplicate Chittah) will be discontinued. The Cash Book that is to take their place will be far less bulky and much simpler. Not only will all the Taluk transactions (probably not less than $\frac{1}{3}$ of the whole) with the exception of Cash Remittances be omitted, but the transfers forming an inconsiderable portion of the Honour transactions will also be excluded and those entries which will remain to be made, will be in less detail than at present.* Nos. 3 and 4 which are mere files of documents will be maintained, but will be less bulky than formerly. No. 5, a file of orders on Taluk Treasuries, will come to be kept in this department.

Nos. 6 and 7 appear unnecessary, as the Cash Book itself forms a complete index to all orders for payment. No. 8, an Index Book of Miscellaneous orders, can be kept, the remainder either contain only occasional entries or are mere rough books for containing the signatures of Pensioners as acknowledging the receipt of their allowances, &c.

25. We have provided for the institution of a Book similar to one kept in Bengal, which we have called the Daily Balance Statement. Each day will be entered the opening balance, total receipts, total charges and closing balance, forming a convenient abstract journal of the business in Cash of the Treasury.

26. We think that under the proposed system one Gomastah will amply suffice for keeping the Books required in the Cash-keeper's Department, and it appears to us that this Gomastah should be looked upon as merely the amanuensis of the Cash-keeper, under whose immediate supervision he would make the necessary entries. Moreover, as these entries would not have to be in any technical form, his rate of pay we consider should not exceed that usually paid to the clerks for the lowest grade of vernacular writer.

27. We have already (in para. 9 and 10) referred to the changes to be made in the Native Accountant's Department. It has not hitherto been recognized as a distinct department of the Office, but has long in practice been composed of the individuals mentioned in the margin to

para. 9, we recommend that they be formed into a distinct department, the designation of Deputy Cash-keeper being exchanged for that of Native Accountant.

The pay of this Officer is, we observe, considerably higher than that of the person holding the corresponding* appointment in the Office of the Collector of Madras, and a reduction might be proper on the occurrence of a vacancy. We think however that we are hardly in a position yet to form a judgment as to the rate of pay to be allowed to the Native Accountant in the several Collectors' Offices, until we have ascertained the existing rates of pay in other districts.

28. The preparation of the Journal in this department will be dispensed with, but as a set of the Day Book will have to be kept. The Day Book will much resemble the old Cash-Chittah, but with this material difference that the exhibition of most of the disbursements made in the Taluk will be excluded, and these disbursements, as we have said before, form a very large proportion of the entries of the old Chittah.

29. The form of Daily Abstract which we have given will, we hope, tend to facilitate reference and to economize time and labor, and though we are unable to recommend any reduction of the hands employed in this important department, we think we are warranted in looking for a more punctual transmission of the several periodical returns.

30. The preparation of a Vernacular Treasury Account is unnecessary as the Daily Abstract is kept with English figures and amounts at the end of the month the exact arrangement required for the English Treasury Account.

31. In the English Department the English Chittah will be dispensed with, its place being taken by a daily abstract in a very condensed form. This abstract will be found sufficient, we apprehend, for the information of the Collector, the Vernacular Accounts being of course available for reference as to detail, if necessary. It will also be valuable as an aid to the preparation of the Treasury Account, forming in fact the skeleton of that Account.

The Treasury Account, the form of which should be printed, will give less trouble in its preparation than the Journal. The rough Ledger will be displaced by the monthly Abstract, and the closing entries by the Annual Treasury Account. The labour of preparing the Duplicate Journals for the 12 months and the Duplicate Ledgers will be altogether saved.

Saving in the labour of transcription will also follow on the substitution (which has been discussed) of a printed for the present manuscript Pension Abstract.

32. We now come to the question of reduction, and have to state how far any is practicable in North Arcot under the present change of system. In the English Department in which the Writers engaged upon Accounts are liable to be called upon for other duties, it is obviously difficult to say definitely, how far reduction of establishment may be made in consequence of a reduction of work in connection with the Accounts.

53. We consider, however, that with a proper distribution of work, the system now introduced will admit of a reduction of hands in this District to the extent pointed out in the following Statement.

Present Scale.			Proposed Scale.		
No. of Hands.	Designation.		No. of Hands.	Designation.	
<i>Cash-Keeper's Department.</i>			<i>Cash-Keeper's Department.</i>		
		Rs. A. P.			
1	Cash Keeper.....	100 0 0	1	Cash Keeper.....	
1	Head Shroff.....	40 0 0	1	Head Shroff.....	
1	2nd Shroff.....	17 8 0	1	2nd Shroff.....	
2	2 Gomastahs at 12 Rs. each	24 0 0	1	Gomastah.....	
5			4		
<i>Deputy Cash Keeper's Department.</i>			<i>Native Account Current Department.</i>		
1	Deputy Cash Keeper.....	45 0 0	1	Native Accountant.....	
1	Gomastah.....	22 0 0	1	Gomastah.....	
1	Do.....	19 0 0	1	Do.....	
1	Do.....	10 0 0	1	Do.....	
4			4		
<i>English Department.</i>			<i>English Department.</i>		
1	Deputy Accountant.....	49 8 0	1	1st Writer.....	
1	Writer.....	45 0 0	1	2nd Do.....	
1	Do.....	25 0 0	1	2nd Do.....	
1	Do.....	22 0 0			
1	Do.....	10 0 0			
5			3		
14			11		

54. That the work of the Account Department will be considerably reduced under the new system is, we think, unquestionable, and eleven, Number of hands proposed in the Statement, ought we consider to be found sufficient to carry on the duties of the Department efficiently.

55. In connection, however, with this part of our Report, there seems to us another point of some importance which will have to be taken into consideration, viz., the rate of salary which should attach to the several Writers employed in the different departments of Account. We have slightly alluded to this subject in paras. 26 and 27, and have mentioned the difference observable in the relative rates of pay enjoyed at present by parties holding corresponding situations in the Office that have already come under our notice.

56. With the view therefore of annihilating the rates of pay in all Districts, we annex a proposed scale exhibiting a further reduction in North Arcot, the same being liable to modification after comparison with those prevailing in other Districts.

Present Scale.			Proposed Scale.		
<i>Cash-Keeper's Department.</i>			<i>Cash-Keeper's Department.</i>		
Cash-Keeper.....	100 0 0		Cash-Keeper.....	100 0 0	
Head Shroff.....	40 0 0		Head Shroff.....	40 0 0	
2nd Shroff.....	17 8 0		2nd Shroff.....	17 8 0	
2 Gomastahs at 12 each	24 0 0		1 Gomastah.....	10 0 0	
	195 8 0			167 8 0	
<i>Deputy Cash Keeper's Department.</i>			<i>Native Account Current Department.</i>		
Deputy Cash Keeper.....	45 0 0		Native Accountant.....	30 0 0	
Gomastah.....	22 0 0		Gomastah.....	22 0 0	
Do.....	19 0 0		Do.....	19 0 0	
Do.....	10 0 0		Do.....	10 0 0	
	96 0 0			81 0 0	
<i>English Department.</i>			<i>English Department.</i>		
Deputy Accountant.....	49 8 0		1st Writer.....	49 8 0	
Writer.....	45 0 0		2nd Do.....	25 0 0	
Do.....	25 0 0		2nd Do.....	22 0 0	
Do.....	22 0 0				
Do.....	10 0 0				
	151 8 0			96 8 0	
Grand Total.			Grand Total.		
Present Scale. 445 0 0			Proposed Scale. 345 0 0		
			Saving 98 Rupees.		

57. In conclusion, we have to recommend that the alteration in the designation of the Officers indicated in this Report should be adopted. That the Deputy Cash Keeper should be borne on the List of the establishment as Native Accountant, and that the Gomastah employed under him as well as the one under the Cash-Keeper should be shown separately in the Establishment Abstract, instead of being included as at present in the General Establishment under the Sheristadar. The designation of the Head of the English Department should also, we think, be changed so that of Head Clerk, instead of Head Accountant, the latter term being calculated to convey an incorrect idea of the nature of his position.

The Officers who have been appointed to superintend the introduction of the Bengal system of Accounts into the Madras Presidency report their Proceedings to the 30th Ultra. These would seem to have been hitherto confined to the Collectors of Madras and North Arcot. The present report applies to the latter district.

58. The introduction is being carried out under the orders of the Supreme Government. It does not therefore appear to be within the province of this Government to pass any opinion upon the changes recommended by Messrs. Harrison and Brooks. These would seem to have been proposed after careful consideration of the Madras practice as followed in one District,—North Arcot,—and it is to be presumed that they are necessary for the due introduction of the Bengal system. The Right Honorable the Governor in Council will confine himself to issuing such instructions as may be needed in furtherance of the arrangements which have been advised.

59. Copy of the report and a set of Forms of Account with rules for their introduction added in this part. 23, will be furnished to the Accountant General in view to their being, with his approval, circulated as an early rate for the use of the several Collectors. A copy will likewise be communicated to the Revenue Department for information.

Para. 27, & 9, 10.

4. The Deputy Cashkeeper's department will, as recommended, be formed into a distinct department, the designation of Deputy Cash-keeper being exchanged for that of Native Accountant. The pay of this Officer in the North Ararat Collectorate is considered to be too high, and it is suggested that it might be reduced on a vacancy. The Commissioners, however, think that they are hardly in a position yet, to form a judgment as to the rate of pay to be allowed to the Native Accountant in the several Collection Offices, until they have ascertained the existing rates of pay in other districts. The Government will await any further recommendation which may be made by the Commissioners on this head on being furnished with this information.

Para. 32 to 36.

5. In these paras. the Commissioners consider how far any reduction may be practicable in the Account Department of North Ararat under the present change of system. In para. 33 they contrast the present with the proposed scale in the three departments.

- I. That of the Cash-keeper,
- II. Deputy Cash-keeper, or as he is henceforward to be termed Native Accountant, and
- III. The English Department.

The number of servants will be reduced from 14 to 11, viz. from 5 to 4 in the Cash-keeper's Department, and from 5 to 3 in the English Department. The number in the Native Account (Deputy Cash-keeper) Department will remain unaltered. The reduction in question will be made on the Government being informed by the Accountant General that the new system has been so far brought into operation as to admit of its being done.

6. It is proposed further to reduce the salaries of some of the servants according to a scale given in para. 36. The total saving arising both from reduction of Officers and salaries is, in North Ararat, Rs. 98 monthly. The changes as regards the salaries of the servants to be retained, will be as per margin. The saving in them will amount to Rs. 47. The rates are however to be liable to modification after comparison with those prevailing in other districts, and as it is presumed that further report will then be made, no immediate orders are called for from Government. The reductions of salary will not however in any case affect existing incumbents.
- | | |
|---|--|
| <i>Cash-keeper's Department.</i> | |
| 1 Gunmaster from Rs. 19 to 10. | |
| <i>Deputy Cash-keeper's Department.</i> | |
| For Deputy Cash-keeper on Rs. 45. | |
| Native Accountant on " 30. | |
| <i>English Department.</i> | |
| 1st Writer from 45 to 25. | |
| 2nd do. " 25 to 22. | |

7. In the last para. of their report the Commissioners propose alterations in the designations of some of the Officers of the Department and in the manner in which they are shown in the Establishment Abstract. The Accountant General will instruct the several Collectors to make these changes.

(True Extract and Copy.)

(Signed) T. PYCROFT, Chief Secretary.

Ordered to be communicated to the Board Revenue for their information. The Government will be prepared to consider any remarks they may have to offer on the suggestions offered by Messrs. Harrison and Brooks for the reduction of the Establishment of the Collector of North Ararat and the revision of the rates of salary of certain servants on that establishment.

2. The forms of account and instructions contained in the report of Messrs. Harrison and Brooks will be embodied with any modifications that may be found necessary in the Revenue Manual which is under preparation.

(A true Extract.)

W. A. Bayley

Acting Secretary to Government.

To the Board of Revenue.

Encl. Copy No. 28470

1855. May/18-19 P.M.
Larkin St. 1/17/18

1855. May/18-19 P.M.
Larkin St. 1/17/18

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Remond and 1855
Larkin St. 1/17/18

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