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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	1175	Press ~~Mis.~~
150-151.		
Dated	16-7-	1874.

13/14

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
16th July 1874.

No. 150. Read the following Proceedings of Government, in the Public Works Department, dated 30th June 1874, No. 1751:—

ABSTRACT.—Passing orders on the report of Lieutenant Christie, R.E., Deputy Controller of Public Works Accounts, on his inspection of the Cuddalore Range Accounts of the South Arcot District.

No. 151. ORDER THEREON, 16th July 1874, No. 1175.

Lieutenant Christie is mistaken in the inference which he has drawn from G.O., dated 20th October 1873, No. 114.

2. The existing arrangement is based on the fact that the Local Fund Petty Establishment is employed specially on account of the old Local Fund Works, but, as the Imperial Subordinate Establishment is available for employment on the old Imperial Works recently classed as Local Fund Works, a share of its cost is debited to Local Funds. The difficulties in the way of combining the two subordinate establishments are under consideration separately.

(True Extract.)

Acting Chief Secretary.

To the Board of Revenue, with No. 1751.
,, Public Works Department.
,, Accountant-General, with No. 1751.

Exd. J. Wright.

Govt. of {1874 Madras.

FINANCIAL.

To

THE BOARD OF REVENUE.

&c., &c., &c.

Dated July, 16*th*.

Read.

Read.

G.O., 16*th July* 1874, *No.* 1175.

JULY.

Nos. 150-151.

Local Fund Petty Establishment.—The views of Government expressed on the subject of the debit of cost on this account in reference to certain remarks by Lieutenant Christie, R.E., Deputy Controller of Public Works Accounts, in his Inspection Report of the Cuddalore Range Accounts.

No. 619. Read the following endorsement of the Officiating Controller of Public Works Accounts, dated Fort St. George, 18th April 1874, No. 546 :—

Report by Lieutenant C. H. P. Christie, R.E., Deputy Controller of Public Works Accounts, submitted for the information and orders of the Controller of Public Works Accounts, Madras.

Remarks by the Controller.

I INSPECTED the Cuddalore Range Office on the 31st March and 1st and 2nd April.

2. The Officer in charge of the Range is Conductor G. Wiffen, joined 13th February 1873. Head Accountant C. Arnachellam Moodelly, joined 1st September 1866.

3. *Cash-book.*—The Cash-book is neatly kept and posted up to date, and vouchers are duly forthcoming for all payments on Contract Certificates and Bills for materials and for salaries of Establishments, and for these only. For small purchases under 10 or 20 Rupees no vouchers are submitted to the Controller. I explained that this was wrong, * and that the list of purchases should be confined to payments of trifling sums for which no receipt can be got, and that the list should be submitted to the Controller with the signature of the disburser as a voucher.

* Quite right ; the list of purchases is of two kinds, one being intended exclusively for the record of purchases for which receipts are *not* obtainable, and in which therefore no other purchases should be entered.

3-A. In the Cash-books of subordinates no column is provided for voucher number, and the vouchers are not referred to. The books are neatly and punctually kept.

3-A. This is a defect, but if a proposal made by me to Government (No. 5,668 of 1st December 1873) for the adoption of the Government of India form of Cash-book is approved, the same form could be used alike by Range and Sub-divisional Officers.

4. For payments for departmental labour there are no vouchers whatever in the office. The nominal rolls, which are proper vouchers for such payments, are retained by the Overseers. The Head Accountant told me that the Station Books have always been regarded as vouchers for such payments. Now the Station Book consists of two parts, (1) the body of the book in which the labour employed and the materials used during the month should be detailed and *which has no necessary connection with the payments made during the month*, and (2) the "Cash Account of Work," *which is an extract from the Cash-book.* So that the Station Book cannot possibly be a voucher for the payments shown in the Cash-book. This I pointed out.

4. The Station Book is simply a condensed record of the month's transactions connected with each work. The Nominal or Muster Rolls are probably often required by Sub-divisional Officers for reference in respect to arrears due to labourers, but there is no reason why the Muster Rolls, when done with by Sub-divisional Officers, should not be sent to the Range Office for record.

5. The vouchers in this office are not properly filed for reference. Instead of being kept in the order of the voucher numbers, the vouchers for each work are brought together, so that it is very difficult in going through the Cash-book to lay ones hands on the voucher for any particular payment. This arrangement is owing to the objectionable practice of preparing the Petty Contract Account directly from the Contract Certificates. Every voucher should be filed and registered as soon as it has been compared with the corresponding Cash-book entry and found sufficient. After being once filed the vouchers should not be again touched until they are required for submission to the Controller in support of the accounts for audit. Such a register would involve no additional trouble. The work that would have to be done, in order to keep it up, is indeed done now, but at the wrong time and in the wrong place, *i.e.*, in a sort of scrap-book *after* the monthly accounts have been compiled.

6. Information is required as to what constitutes a valid receipt in French territory. The Range Officer tells me that he never takes more than a simple acknowledgment of the payment whatever the amount may be ; but he is not certain whether this is enough, or whether any sort of receipt stamp is required.

7. The Range Officer makes almost all his payments by cheque, and practically keeps no cash, merely a few rupees in the hands of the Head Accountant to meet contingent expenses. A cut rupee, cut and returned by the Treasury Officer as being under weight, formed part of the balance so held at the date of my inspection. The Range Officer is in correspondence with the Treasury Officer, and will in due course apply for instructions as to the adjustment of the loss on this coin.

8. As the form of Cash-book and the system of recording cash transactions are now under consideration of Government, it is perhaps slightly irregular to refer to the subject here. If so, the importance of the subject must be my excuse. It seems to me that the issue upon which the question is being judged, the relative simplicity and economy of labour in use of two different forms, is comparatively trivial, though even on this issue the Madras Cash-book can

Remarks by the Controller.

5. Vouchers should be kept separately for each month and should be arranged in the order in which they are numbered in the Cash-book, I have known them to be conveniently kept between two pieces of board of the size of half a sheet of foolscap folded in the length. These boards, which are simply secured by two ties of tape (at top and bottom), protect the vouchers, and should bear a label with the following heading :—

Vouchers
1 to 145
for the month of
April
1874.

Vouchers should be in duplicate, the originals being sent with the monthly accounts to the Controller's Office.

6. The attention of Government is solicited to the question raised. It is not known whether any rules exist on the subject. Apparently no difficulty has ever occurred in accepting simple receipts for payment.

8. In addition to what I have already said about the present form of Cash-book in the letter referred to above in the remark on paragraph 3-A, I might have added that the form has led to considerable confusion in the minds of Range Officers and Accountants who have used it to record *book adjustments* instead of only *bona fide cash* receipts and payments.

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Remarks by the Controller.

hardly fail to be condemned. I think the real question is this, if a Madras Public Works disburser's Cash-book were tendered as evidence in a Court of Law, would it be found of any value whatever? The Cash-book of the Cuddalore Range is probably a very favourable example of a Madras Public Works disburser's Cash-book ; the rules laid down for recording transactions are very carefully followed, and the net result is, that while a large portion of the disburser's cash transactions find no place whatever in his Cash-book, it is positively difficult to find among the entries which do appear one entry which is a truthful record of the transaction to which it refers. In plain English this Cash-book instead of being a truthful narrative is a tissue of falsehoods.

9. *Cash Abstract Book.*—The Cash Abstract Books are not posted as regularly as they should be ; the posting is left to the end of the month. When the Range Officer is away from head quarters he must of course take his Cash-book with him, and the Abstract Book cannot then be posted daily : but the Range Officer makes a point of sending a copy of his Cash-book once a week to the Head Accountant, so that the Abstract Book can always be posted weekly at least.

10. The entries in the Cash Abstract Book appear to have been hitherto very incorrectly made. Sums which appear in the Cash-book as single payments are divided in the Abstract Books, and payments by the Range Officer instead of being all shown together are entered according to the taluqs in which lie the works on account of which they are made. The consequence is that it is impossible to trace items from the Cash-book to the Cash Account Current. Mr. Wiffen promised to attend to these points in future, and also to use separate columns for the different Treasuries under the heads " Cash from Treasury" and " Credit Orders."

11. *Cash Account Current.*—No proper book is provided for writing up the office copy of the Cash Account Current, and the loose forms issued have not sufficient inside margin to admit of being bound up. The Cash Account Current is therefore written up every month in manuscript, a most unnecessary waste of paper. A proper book should be provided.

9. The necessity of the Cash-book being taken by the Range Officer requires explanation. If the counterfoils of cheque books be used to record the credit balance as intended, I see no reason why the Cash-book should be taken out of the office. Instead of sending a copy of the Cash-book to the office, the Range Officer might simply send a list of the cheques issued (with the vouchers, if any,) to the office, to allow of the Cash-book and Cash Abstract Book being written up.

10. The separate columns for " Credit Orders" and " Cash from Treasury" for different treasuries are not really necessary, but if the Range Officer considers that the separation will be more convenient, it may be followed.

11. The office copy of the Cash Account Current and of the Stock Account Current are not documents which would be referred to, to ascertain facts connected with accounts. They are simply rough copies of documents in which information from various books is recorded for use in the Controller's Office, and therefore it will be sufficient if such documents are kept within boards in the manner described by me in my note on paragraph 5 in respect to vouchers.

Remarks by the Controller.

12. *Stock Accounts.*—There is no stock in this Range, and therefore no Stock Accounts. Whether there is stock or not the different Stock Books should be on hand.

13. *Station Books (Day Books).*—The Station Books are all very neatly and punctually kept, but those for works over Rupees 2,500—the only ones which are of any use—are, and apparently always have been, utterly incorrectly kept, kept in fact in such a way as to make them absolutely useless. Indeed the purpose of the Station Book does not appear to have ever been known in this Range. In the first place, when several distinct works are included in one estimate, it has been the practice to keep only one Station Book for the lot, instead of one for each work as prescribed. In the second place, the materials used on the work month by month have never been charged off to the different sub-heads of the estimate, and the "Distribution of charges" on the first sheet of the Station Book has been simply a copy of the "Abstract of the Cash Account of work" at the end; the labour paid for during the month being shown against each sub-head, and the materials paid for during the month as "materials at site." In short, the Station Book (Day Book) has been kept so as to be practically useless. I explained to the Range Officer and his Accountant the object for which the Station Book is kept and the proper way of keeping it and agreeing the value of work done during the month with the payment made during the month. Mr. Wiffen promised to see that the form is properly kept in future.

14. The keeping only one Station Book for several works is comparatively an unimportant fault when the different works are individually small, and there are no accounts of materials at site to be kept; in such a case each work can be treated as sub-head without much fear of confusion arising. But when the account of a large scheme, such as the Pelandorai Loan Fund Project, comprising five and twenty or thirty separate works, is treated in this way, as has been done in another Range, it is a serious matter, for it thus becomes impossible to ascertain from the accounts what has been the actual cost of any single work connected with the scheme.

Paragraphs 13, 14, and 15.—I had reason some time ago to request Mr. Deputy Controller Mills to look into Station Books during inspections.

It is to be regretted that such books were not examined on all previous occasions of inspection, and that Accountants have not had the advantage of explanatory notes and forms similar to those available in other parts of India.

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Remarks by the Controller.

15. I am afraid that this ignorance regarding the use of the Station Book, the *prime account* of the department, is a more serious matter than it may at first sight appear to be. I have found exactly the same ignorance in the Virdachellum Range, on which I hope soon to be able to report fully. The Officers and Accountants in both these Ranges tell me that nowhere have they known the Station Book understood and kept as it should be. Moreover, it seems to me evident that not one of the Officers or Accountants who at any time have been in either of these ranges can ever have understood this prime account, and yet every one of these individuals must have been at some time in two or three other Ranges where he would have learnt the use of the form if it had been known.

16. *Register of Works.*—A "Register of Works" is kept up for original works estimated to cost more than Rupees 2,500. It is kept up neatly and punctually, but whether it is correct or not I cannot say. It is certainly not prepared in the proper way, because the Station Books from which it should be prepared and which are expressly designed to lead up to the "Register of Works" are, as explained above, kept in such a way as to ruin their purpose entirely. I understand from Mr. Wiffen that a statement is prepared monthly by the Overseers in which the cost of the work done on each sub-head is shown, and from this the "Register of Works" is posted!

17. For original works under Rs. 2,500 and for repairs and maintenance works no register is kept. What the rule is on this point I confess I do not know. The Manual, paragraph 30, Section II., clearly implies that a register is to be kept up for original works under Rupees 2,500 each, maintenance works and repairs, but only under the heads "Labour" and Materials when the outlay cannot, in the opinion of the District Engineer, be divided into sub-heads. On the other hand, the preceding paragraph says something totally different, and in all reports of previous inspections which I have seen it seems to be taken for granted that no register is required for other than original works estimated to cost more than Rupees 2,500.

Paragraphs 16, 17, *and* 18.—There have been so many orders regarding the Registers of Works, and such difference of opinion (a high authority having on one occasion decided that they should be posted from the Progress Report) that the importance of the registers as condensing the Station Books month by month for the entire period works may be under construction, has been imperfectly understood or but little appreciated.

By G. O., No. 421 of 5th February 1870, no record is kept in the Registers of Works costing less than Rupees 2,500. I would suggest that this order be modified, and that, as recommended by Lieutenant Christie, every work not completed within the month in which commenced, should find place in the Register of Works.

I do not think it is absolutely necessary to have a different form of register for the smaller works. The present form has several columns for sub-heads of estimates, and two of these columns could be used to record payments, one for labour and the other for materials, leaving the other columns blank. I do not like to increase our number of forms, and I think that when a standard form can be utilized by a slight addition or alteration we should not introduce new forms. The Register of Works should,

Remarks by the Controller.

18. I cannot doubt that every Range Officer would find it a convenience to have a register for *every* work not completed during the month in which it is begun; and I *know* that the labour of keeping this register would be absolutely inappreciable; indeed, the compilation of the accounts, taken as a whole, would inevitably be made easier by the existence of such a register, but a suitable form should be provided; it is absurd to use the form prescribed for the Register of Works when you only want to show the total cost of labour and materials.

19. *Progress Report (Schedule of Expenditure).*—In the Progress Report, as in the Station Books, separate works comprised in one estimate are incorrectly shown as one work. For instance, the Oopalapady Channel and six subsidiary masonry works are all lumped together.

20. In the case of works carried out by contract the progress made during the month is not shown unless the Range Officer happens to have paid the amount due to the Contractor before the end of the month; indeed, the progress made is not known to the Range Officer until the Contractor presents the Contract Certificate for payment; for it appears to be the practice of the Overseers in this Range to give to Contractors the *duplicate* as well as the originals of the certificates. I explained to the Head Accountant that the duplicates of Contract Certificates must be sent direct to the Range Officer; that the Contractors must then and there be credited with the value of work done as per certificate, and that the value of work done, whether paid for or not, must appear in the Progress Report under "works executed" with a deduction entry for the amount due to the Contractor.

21. An inquiry concerning the amounts shown in the column "Grant" against Minor Works, brought out the fact that the Range Officer does not receive from the District Engineer any statement of appropriations made by him for the month. It seems that the earliest information which the Range Officer receives on this point is contained in the Controller's Audit Note. The amounts entered by the Range Officer under "Grant" are the amounts which,

moreover, be a *bound book*, with an index and with its pages ready prepared to receive or record the particulars of *any* work, large or small.

21. There has been correspondence on the subject with the Chief Engineer for Irrigation and with District Engineers, and I believe it

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at the beginning of the month, he reports to the District Engineer that he expects to be able to spend. If the District Engineer finds it impossible to allot these amounts he should of course inform the Range Officer of any alterations which he finds it necessary to make. It will be necessary to address the Range Officer on this point.

22. It seems to me that the preparation of the Progress Report in this and in other Ranges is made ten or fifteen times more laborious than it needs to be, owing to (1) the unnecessary inclusion in it of *all* works, whether or not there has been any progress on them during the month; (2) the length at which the titles of the different estimates are recited; and (3) the unnecessary number of copies made.

23. With regard to the first point, I may mention that I recently counted in two or three Progress Reports taken at random the number of necessary and unnecessary entries, and I found that about eighty per cent. of the works entered had much better have been left out. It is perfectly useless and worse than useless to enter works on which no progress has been made and no expenditure incurred during the month; it wastes the time of those who audit, as well as of those who prepare the report of expenditure. I believe the practice was originally required by the Controller apparently for the purpose of saving the Auditors the trouble of doing their work properly; but knowing that you do not consider the practice necessary, I have authorized its discontinuance in this Range, as far as the Controller's copy of the Progress Report is concerned.

24. As for the second point, I give here the titles of these works, copied *verbatim* from the Progress Report of this Range for the month of January last:—

"Providing honey-comb works for remedying the defects of the Hospital-shed attached to the Sub-Jail at Trivady.

"Great Southern Road from Madras to the Travancore frontier with a branch at Tindivanum towards Negapatam and another at Vickravandy towards Combaconum, *via* the Vellar Anicut, 88 miles, Cuddalore Taluq.

is the intention to follow a different course this year, 1874-75.

Paragraphs 22 *and* 23.—My proposals as approved in G. O., No. 1,480, dated the 4th June 1873, and my Circular No. VII., dated the 14th June 1873, were intended to reduce work, but there have been several instances in which Range Officers have preferred to continue the old practice of giving details which are certainly useless in this office whatever they may be to District Engineers. In respect to works commenced in any year, but temporarily suspended during that year, I would like to have a simple entry of the works (titles only) in the Progress Reports for the months in which there may have been no outlay, so that such works may not come to be regarded as either completed or abandoned.

The advantage of this arrangement was apparent to me in other Provinces.

Remarks by the Controller.

"Maintenance of the road from the north bank of the Pooniar river near Veerasholapooram to the bridge lately built across the Pombay Channel to a short distance on the other side, ¼ mile, Trickalur Taluq."

All that is really necessary might have been given in five or six words for each work, thus—

"Improving Hospital-shed—Trivady Sub-Jail. Great Southern Road in Cuddalore Taluq. Road from the Pooniar to Pombay Channel."

Long rambling titles at least as long as the longest of these three are very numerous, and almost every title is very much longer than it needs to be; and when it is remembered that each Progress Report, as at present prepared, contains from a hundred to a hundred and fifty entries of works, and that every month five or six copies of the Progress Report are made, it will be allowed that this sort of thing trifling as it may at first seem must lead to a very considerable waste of time, and it is perfectly useless. Each estimate should have a short title in addition to the detailed description; the short title only to be recited in periodical returns; both long and short titles in the Register of Works.

24. If Range Officers, instead of Accountants, would, on the commencement of a work, fix on a brief title with reference to the description by the sanctioning authority, much useless writing might be avoided as remarked by Lieutenant Christie.

25. Five copies of the Progress Report are prepared every month; one for the District Engineer, one for the Collector, one for the Controller, and two office copies; two copies too many as it seems to me, and each copy, it is said, gives one man occupation for a day and a half on an average. The second office copy is said to be kept under instructions from the Controller, for what purpose I do not understand. As long as Registers of Works are not kept up, the Progress Report will of course be an original document, and *one* copy of it must be retained in the Range Office, but if proper Registers of Works were maintained, as they ought to be, and if the Progress Report were regarded, as it should be, as a series of extracts from the Register of Works and other books maintained in the Range Office, there would be no necessity whatever for an office copy. When a copy of, or an extract from, a letter is furnished by one officer to another, the first officer does not require to keep an office copy of the copy or extract furnished. In any case, if an office copy of the Progress Report is required a proper

25. There is evidently some misapprehension about the *second* office copy of the Progress Report. Apparently there is no order on the subject in this office, and certainly this office derives no benefit from the second copy. I am inclined to think that, like the Cash-book noticed in paragraph 9, the Range Officer takes a copy of the Progress Report with him when absent from head-quarters, and that as a copy is needed in office the second copy is prepared to meet that want. The condensed form of Progress Report recommended by Lieutenant Christie for office use is unobjectionable, and is indeed followed in some Ranges, but, from my experience in other parts of India, I can say that a *detailed* office copy is considered a necessity by Divisional (Range) Accountants in order that the copy for the Controller's Office may be

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book should be provided for it in which the constant entries, such as "Description of Work," "Amount of Estimate," "Grant of the year," etc., etc., would require to be made once only in each year, twenty-four columns being provided for showing month by month the expenditure of the month and to the end of the month.

26. The copy of the Progress Report submitted to the District Engineer is, I understand, made to show "work executed up to the end of the month," instead of "work executed during the month;" this seems to be opposed to the orders of Government.

27. The Range Officer complained very much of the time taken up with the preparation of the "Petty Contract Account," which he says, and I can well believe it, gives almost as much trouble as all the rest of the accounts put together. The use of the form is recommended in the Manual on the ground of its being simpler and more convenient than the keeping of a regular Debtor and Creditor account with each Contractor. I cannot, I confess, see in what the superior convenience lies. For my own part I would rather keep a Debtor and Creditor account with every petty Contractor in the district, and furnish a copy of it at the end of the month, than prepare the Petty Contract Account for a single Range. Indeed, I cannot conceive how the Petty Contract Account can be prepared without actually doing everything that separate Debtor and Creditor Accounts would require to be done and a great deal more besides, and in a much less convenient shape. As Mr. Wiffen and his Accountants were of the same opinion, I suggested that they should give the other plan a trial during the current month, pointing out that the use of the Petty Contract Account form is optional with the Range Officer.

neat and clean, which it would certainly not be unless copied from a previously prepared detailed copy. Clerical errors and alterations appearing, of necessity, in the draft or office copy, would thus be avoided in transcribing from *that* copy.

26. The arrangement must be useful, but it is not according to the intention of the Madras Government.—*Vide* G. O., No. 1,988, dated the 11th August 1873.

27. There has been a good deal of misunderstanding on this subject, and consequently much extra labour in preparing the Petty Contract Account, Form M. This form is intended to show the quantity and value of work done and the payments made for it from the commencement, from particulars in the record of measurements and from the Cash-book. But instead of making such entries once for all in this form they are first made in Contractor's Certificates (H.) or Contractor's Bills (I.), and from them in the Petty Contractor's Account, Form M. Dispense with the preparation of Contractor's Certificates and Contractor's Bills for Petty Contract work continued from month to month, and there will be no reason to complain of extra work. The Contractor's Bill (I.) is intended to be used only for works completed without intermediate measurements and payments to Contractors, but in this Presidency the form has generally been used to show the portion of a work executed and paid for in the month. When Form M. is used, simple receipts of payment, that is, receipts without detail of quantities of work, etc., are sufficient as vouchers. The misunderstanding on this and other subjects has led me recently to recommend (No. 8,627, dated the 27th March 1874,) that each Range Office should be supplied with a copy of the explanatory notes, etc., attached to the forms used immediately under the Government of India. I think the option given in Clause 49, Section I. of the Manual, and mentioned by Lieutenant Christie, refers to whole or large works for which formal agreements and tenders have not been made, and which therefore might,

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at the option of Range Officers, be either accounted for in Form H. or in Form M., which latter is specially intended for *Petty* Works and works on which several Contractors may be employed. For my part, if a Range Officer deliberately used Form H. in preference to Form M., I should not object to his proceeding.

28. Mr. Wiffen states that there are no balances due by Contractors, no advance being ever made; and the accounts fully bear this out.

29. *Contract Certificates.*—The practice of taking receipts on the back of Contract Certificates, though at first sight seemingly convenient, is, I think, open to objection. The Contract Certificate now answers two distinct purposes, it is a sort of Progress Report of contract work and it is a voucher, and it requires to be filed separately in these two capacities, which of course is impossible. It would be found, I think, a very great convenience if disbursers were furnished with books of receipt forms, in duplicate, on which they could take receipts for all payments whatever. Certificates and vouchers would then be filed separately, and the risk of loss would be very much reduced.

29. Though the Contractor's Certificate serves a double purpose, that fact does not require it to be treated differently from other receipts. In the Public Works Department there are several forms of receipts to suit different sorts of payment and therefore we could not have *one* receipt book, and the use of several books would cause confusion in numbering vouchers and tracing them hereafter. It only requires methodical arrangement of the kind mentioned in paragraph 5 to keep vouchers in good order and available for ready reference.

30. I notice a slight defect in the printed form of Contract Certificate; there is no provision for numbering the certificates, and the consequence is that they are not numbered which makes reference to them difficult. Certificates, bills for materials, etc., etc., should all be numbered and filed for reference in the order in which they are issued. Indeed, I think it would be well to issue books of certificate forms, bill forms, etc., in triplicate, instead of supplying Overseers with loose forms. Mr. Wiffen seemed to think that with the forms in triplicate the books would be unwieldy for taking about, as of course they must be taken, but quite agreed as to the convenience in other respects. A very little ingenuity would get over this difficulty.

30. Some mistake in printing. In the standard form prescribed by the Government of India and adopted in this Presidency, there is provision for numbering. Some forms (as for example, those of Register of Works) are printed without uniformity and without regard to the necessity of binding. It is the practice in other parts of India to issue bound books (Cash-books, Register of Works, etc.,) and I think it very desirable that a similar arrangement should be followed here, commencing with the next edition of forms to be printed.

31. *Register of buildings rented, etc.*—No register of buildings rented and available for renting is maintained in this office. Such a register is very necessary; the Range Officer promised to have one opened. This is one of the many records for which a general form should be prescribed and proper books provided, and for which no provision is now made.

Paragraphs 31 *and* 32.—Yes, it is desirable to have regular books for the purpose. Some Officers consider it useful to have books of some sort, while others are indifferent, and so

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there is no uniformity. This matter has been taken up by the Accountant-General, Public Works Department, and we shall probably have forms prescribed for the purpose.

32. In addition to the prescribed books, which are very few, a sort of scrap-book is kept up in which a number of accounts, etc., apparently considered as miscellaneous, are kept in a clumsy, disconnected, sort of way; for instance, the accounts of miscellaneous advances, deposits, and transfers; statements of objectionable items, schedule of receipts and refunds, etc., etc. There should be proper books for the systematic record of all such transactions; such records are absolutely necessary for the orderly conduct of the business of a Range Office, and it is altogether wrong to regard them as required solely for the information of the Controller.

33. The truth is that the forms and books, the use of which is authoritatively prescribed, and which are regularly furnished to Range Officers, provide *most imperfectly* for the orderly and methodical record of the transactions of the Range and for the systematic compilation of the accounts of the Range. Nothing is so much wanted at this moment, as far as accounts are concerned, as a thorough revision of the books and forms in use, concurrently with the authoritative issue of a Manual of Accounts giving a clear and intelligible instruction regarding the use of the different forms, in language adapted to the comprehension of those who have to use them. I am convinced that if this were done the labour of Range Office Accountants might be reduced by something like 30 or 40 per cent., and the less labour might be made to yield vastly better results.

34. I earnestly hope that you will be able to recommend, and that the Government will be pleased to sanction, this work being taken in hand at once. I see no prospect of any real commencement being made with the Capital and Revenue Accounts of Irrigation Works. Certainly nothing can be done until the Government of Madras and the Government of India agree as to *what* is to be done. In the meantime I venture to think, and I hope that you will agree with me, that I could not be more usefully employed than on the work referred to in the last paragraph.

35. It would be wrong of me to pretend to believe that the Public Works Accounts of this Presidency are in a satisfactory condition.

Paragraphs 33 *and* 34.—I quite agree with Lieutenant Christie in his remarks relative to the necessity of something better than the present Manual and forms of Accounts, and, indeed, I have already recommended (No. 8,627, dated the 27th March 1874,) the readiest way of meeting the want. We could no doubt make account matters appear much clearer than they do at present, to all who are concerned with Public Works Accounts in this Presidency, by a special and revised Manual and set of forms, and although I am certain that the compilation of such a Manual could not be entrusted to one more fitted for the task than Lieutenant Christie, I hesitate to recommend the immediate adoption of the proposal, believing that if the suggestion made in my letter above quoted be adopted, and if all Ranges are as thoroughly over-hauled as this and a few others have been lately, improvement is likely to follow much sooner than if we waited for a new Manual. It would be a mistake for Lieutenant Christie to undertake what probably would not be completed before the real commencement of our Irrigation Capital Accounts.

During the last twelve months there has gradually been growing upon me the unpleasant conviction that the condition of the Public Works Accounts is about as bad as it can be. From the Controller's Office downwards there is an amount of ignorance and an absence of system and method which are really painful in a department which exists solely for the sake of order and regularity.

36. It seems to me that in this (Cuddalore) Range, and also in many, if not most, other Ranges, unless I have entirely misinterpreted all the correspondence which I have seen during the last twelve months, almost all the accounts work is done under the influence of an entirely erroneous notion—a notion encouraged rather than the reverse by the Controller's Office—the notion that the statement, etc., furnished to the Controller are all original documents required solely for the use of the Controller, and useless to the Range Officer, whereas the truth is that, with the exception of the Cash Account Current, the documents submitted to the Controller should be simple extracts from books necessarily kept up in the Range Office for the orderly conduct of the business of that office. The consequence of this is that instead of there being in the Range Office systematic and continuous records of all the transactions of the Range, there are only disconnected copies of statements prepared for the Controller at an enormous waste of labour. There is only one remedy for this, viz., the provision of a complete set of books and forms sufficient for carrying out fully and systematically every necessary step in the record of the Range transactions together with clear instructions regarding the use of the books and forms. The so-called Manual of Public Works Accounts is really useless.

37. Two alterations in the present system seem to me very desirable, and I will mention them here. The first is to put an end to the issue of loose forms, instead of bound books for use in Range Offices. I can conceive nothing more conducive to confusion and irregularity. In almost every Inspection Report which I read I find it mentioned that this, that, or the other book, is not bound and paged as the rules require. Surely the obvious remedy is to issue books bound and paged.

Remarks by the Controller.

Paragraphs 35 *and* 36.—I should have hesitated on my own part to make these remarks because I should have run the risk of being judged as prejudiced and therefore unable to see any good in the Madras System of Accounts, but as Lieutenant Christie without any knowledge of a different style of working and without any bias one way or the other, has shown that the Madras system is not what it is supposed to be—simple and perfect—I am bound to express agreement in his opinion. My idea of reform goes further, viz., to the revision of the present executive charges, but as this is a subject which in one sense is outside of accounts, and one on which it might therefore be considered that my opinion should not be given without the invitation of Government, I will not further dwell on it.

37. See my remarks on paragraph 31.

Proceedings of the Madras Government, Public Works Department,
30th June 1874.

Remarks by the Controller.

38. The second alteration relates to the manner in which the separate account of each work is compiled. At present Overseers are supposed to keep for each separate work a Station Book in which the account of the work is kept. There is one form for works over Rupees 2,500, another for works under that amount. It seems to me that for works under Rupees 2,500 the only part of the Station Book which is of any use to the Range Officer is the Cash Account of Work, in which the labour employed, and materials used, *ought* to be detailed. If a Range Officer requires, which he seldom will, more detailed information than the Cash Account of Work can give him, he can refer to the Nominal Roll, which will give him even more than the Station Book. On the other hand, for large works the Station Book is an account which it is unreasonable to expect a man in the position of an Overseer to keep properly. It is an account which will hardly even be properly kept except by an Accountant. Indeed, it is not *one* account, it is half a dozen final accounts with perhaps four or five suspense accounts superadded.

39. I would suggest, therefore, that the Station Book be done away with, and that in each *Range Office* there shall be kept a book to be called, say, the "Works Ledger," in which the separate accounts of all works would be kept. A certain number of pages—more or less according to its probable requirements—would be allotted to each work on its commencement, so that the account might be continuous for at any rate six or seven months together. Into this book the charges relating to each work would be posted by the Range Office Accountants from the Range Officer's and Overseers' Cash-books, exactly as they are now posted by the Taluq Overseer from his Cash-book into the Cash Account of work in the Station Book. At the end of the month the Range Officer would find his accounts of each work complete for all works under Rupees 2,500, and he would not have to wait as he now must whilst the Station Books are being prepared and copied by the Overseers. For works over Rupees 2,500 something would remain to be done in order to show the cost of work done by sub-heads of estimates, and to make up the accounts of materials at site and of manufactures. If the principle of the charge

Paragraphs 38 *to* 40.—Regarding Station Books and the change proposed in them, I will reserve my remarks till I have the opportunity of talking over the subject with Lieutenant Christie. The subject too is one on which the Accountant-General, Public Works Department, has collected the opinion of experienced officers in the Executive and Account branches of the Department, and as it is not unlikely that some alteration will be made in the present forms of Station Books, I think it desirable not to make any change in this Presidency at present. I should notice, however, that the preparation of Station Books when entrusted to Sub-divisional Officers should not be deferred to the end of the month as seems to be the practice, judging from Lieutenant Christie's remark in paragraph 39. The Station Books, as they are called here, are more appropriately styled "Day Books" in other parts of India, and the intention is that they should be added to day by day till completed.

Remarks by the Controller.

here proposed—the transfer of the duty of compiling the accounts of each separate work from the Overseer to the Range Accountants—be approved, it will be a very easy matter to arrange a form in which Overseers could render the information regarding *number* of labourers employed and *quantities* of materials used, on works over Rupees 2,500, leaving the *values*, to be entered and the account completed in the Range Office.

40. The advantages which, in my opinion, will flow from this arrangement are that the accounts work of the Overseers will be reduced to a minimum ; that less work will have to be done by a fit than is now done by an unfit agency ; that the Range Officer will have, what he has not got now, the means of distinctly recording as they arise the charges against each particular work ; and that the Range Officer will further have what also he has not got now, a connected account of each work which cannot well be mislaid as the loose Station Books are now liable to be.

41. I am glad to be able to say that every one of the suggestions put forward in this report was put by me to the Range Officer, Mr. Wiffen, who has had great experience as a Range Officer ; and Mr. Wiffen allows me to say that he agrees with my suggestions in every particular ; that is to say, he agrees with me as to the desirability, and even necessity to him, as Range Officer, of having Registers of *all* works in progress, and also as to the fallacy of supposing that the keeping up of such Registers really gives trouble ; he agrees with me as to the uselessness to him, as Range Officer, of the Station Books for works under Rupees 2,500, as to the incapacity of Overseers generally to prepare such an account as the Station Book for large works, and as to the superior facility and convenience of the arrangement suggested by me ; he also agrees with me as to the extreme desirability of doing away with everything in the way of loose sheets for office records, and as to the convenience of having printed books of receipt forms ; and, lastly, as to the extreme inconvenience to himself and his Accountants of not having any authoritative Manual to which to refer for real instructions. I mention this in order to avoid being thought to be putting forward mere crotchets of my own. I should be extremely unwilling to put forward a suggestion for any change if I were not absolutely certain that it would lead to economy of labour in the attainment of the desired result.

Proceedings of the Madras Government, Public Works Department,
30th June 1874.

Remarks by the Controller.

42. During my inspection of the Cuddalore Range Office my attention was drawn to G.O., dated 20th October 1873, No. 114, from which it seems quite clear that the Government are under the impression that Local Funds now pay for their own subordinate establishment only, Imperial and Provincial Funds paying for the Imperial subordinate establishment ; it may therefore be as well to explain to Government that establishment charges are at present distributed under orders passed in the Financial Department with the effect of making Local Funds pay, first, the entire cost of their own subordinate establishment ; and, secondly, a ratable share of the Imperial subordinate establishment, as explained in a memorandum by me submitted to the Chief Engineer for Irrigation in October last. (Controller's No. 4,782 of 28th October 1873.)

42. The GovernmentOrder referred to has not been received in this office, and Lieutenant Christie's memorandum of October 1873 was forwarded to the Chief Engineer for Irrigation in that month as mentioned by me to Government in letter No. 7,718 of the 28th January 1874, in which I gave my opinion about the adjustment of establishment charges against Local Funds. I may add here that, in my opinion, the distinction between Local Fund Petty Establishment and the regular Public Works Establishment should be done away with, seeing that the combined establishment is employed under officers of the Public Works Department indifferently on Imperial, Provincial, and Local Works. This matter has been clearly stated in the correspondence printed with the Proceedings of the Board of Revenue, No. 2,297, of 12th November 1873.

(Signed) C. H. P. CHRISTIE, Lieut., R.E.,
Deputy Controller of Public Works Accounts.

Statements showing the condition of the Records of the Public Works Office of the Cuddalore Range of the South Arcot District.

To accompany Report dated 4th April 1874.

List of Accounts kept.	State of Account.	Reference to paragraphs in Inspection Report noticing Account.
Cash Accounts.		
Cash Book	Up to date, complete. Kept in accordance with rules in force. Neat	3, 4, 8
Subordinates' Cash Accounts ...	Up to date incomplete. Kept in accordance with rules in force. Neat	3-A
Cash Abstracts of Receipts ...	In arrears, incorrect. Neat...	9, 10
Do. Disbursements	Do. do. do. ...	9, 10
Account Current	Up to date, correct. No proper book is provided.	11
Pass Book	Up to date, complete, correct. Neat.	
Treasury Remittance Book ...	Do. do. do.	

Statements showing the condition of the Records of the Public Works Office.—(Concluded.)

List of Accounts kept.	State of Account.	Reference to paragraphs in Inspection Report noticing Account.
Stock Accounts.		
Abstract of Stock Receipts ... Do. Issues ... ... Abstract Book Parts I., II., III. Account Current... ... ... Schedule of Stock Purchases and Sales. Half-yearly Register of Stock articles.	No Stock Accounts	12
Miscellaneous.		
Station Books	Utterly incorrect. Neat.	13, 14, 15
Register of Works	Cannot say whether correct or not, kept only for Major New Works. Neat.	16, 17, 18
Do. Manufactures	None.	
Progress Report	Incorrect, incomplete, neat...	19, 20, 21, 22, 23, 24, 25, 26,
Contractors' Ledger	Up to date complete, correct, neat. There are none but petty contractors.	
Petty Contractors' Account ...	No proper book kept...	27, 28
Statement of Road Metals ...	.....	
Schedule of Miscellaneous Advances	No proper book	32
Schedule of Deposits	Do. do.	
Register of Buildings	Do. do.	
Do. do. rented	No proper register kept.	
Half-yearly Return of Tools and Plant.	.....	
Note Books	.....	

(Signed) C. H. P. CHRISTIE, Lieut., R.E.,
Deputy Controller of Public Works Accounts.

FORWARDED to the Secretary to Government, Public Works Department, for information and orders.

(Signed) T. MOSS,
Offg. Controller of Public Works Accounts.

No. 620. ORDER THEREON, 30th June 1874, No. 1,751.

ACCOUNT, No. 46.

COMMUNICATED to the District Engineer, South Arcot.

2. The following points on which orders seem necessary will now be noticed:—

PARAGRAPH 6.—As no difficulty or inconvenience is said to be experienced in the acceptance of simple receipts for payments made in French territory, there seems no necessity for any deviation from existing practice, unless there be anything in it which may be ascertained to be in opposition to the usage or regulations in vogue there.

3. The subject of paragraphs 3-A and 8 will be separately dealt with.

Proceedings of the Madras Government, Public Works Department,
30th June 1874.

PARAGRAPH 9.— There seems no reason why the Cash Abstract Book should not be posted up regularly, and the Range Officer will see to this being done in future.

PARAGRAPHS 13 TO 15.—It is to be regretted that more attention is not paid to the maintenance of the Station Book which is here designated a *prime account* of the department, and that advantage has not apparently been taken during previous inspections of Range Accounts to ensure the use and meaning of the document being thoroughly understood by officers and subordinates. Station Books have been kept for years, and it is unsatisfactory now to find that little practical good has resulted from former inspections, owing to their being ignored.

PARAGRAPHS 16 TO 18.—There seems no immediate necessity for any change of existing procedure in regard to Work Registers, and it will suffice for the present if steps be taken by the Controller to enforce conformity with existing rules.

PARAGRAPH 20.—The attention of the Range Officer will be called to the remarks in this paragraph, in respect to the correct record of the progress of work under execution by contract, and the submission by Overseers of the duplicates of Contract Certificates.

PARAGRAPHS 22 TO 26.—His Excellency the Governor in Council must insist on District Engineers seeing that Range Officers diminish the work of their offices to the utmost by condensation of Progress Reports and limiting the number of copies made. The duty of framing Progress Reports should not be left entirely to Head Accountants as appears to be frequently done, but should receive the personal attention of officers themselves. The amount of clerical labour which is so frequent a subject of complaint may in this way be sensibly reduced. Particular attention is drawn to the Controller's remarks on these paragraphs, as to the details which may be eliminated from the Progress Reports furnished to his office.

PARAGRAPH 27.—In matters in which the adoption of forms is optional, it is expected that the Controller shall advise Range Officers and ensure the requirements of the Code being met in the simplest manner possible.

PARAGRAPHS 29 AND 30.—The remarks of the Controller on these paragraphs, and in which His Excellency the Governor in Council concurs, do not render any further orders necessary.

PARAGRAPHS 31 AND 32.—The subject having been taken up by the Accountant-General, Public Works Department, no immediate orders are required.

PARAGRAPHS 33 TO 36.—His Excellency the Governor in Council concurs as to the necessity of a revision of the Rules and Forms in use and their collection in one authoritative Manual, and resolves to accept Lieutenant Christie's offer to undertake the duty immediately on his return from privilege leave. In drawing up the forms, Lieutenant Christie will doubtless endeavour to simplify as much as possible, and prepare such forms only as can be readily understood by Overseers and the class of Accountants available, and not elaborate documents, such as only highly trained Accountants can be depended on to keep.

The "ignorance and absence of system and method" which Lieutenant Christie considers to be general may, in the opinion of His Excellency the Governor

in Council, be in a great measure removed by instruction and assistance from the Controller's Office, which should be constantly afforded. The question of a modification of executive charges referred to by the Controller is a matter quite distinct from that under discussion.

PARAGRAPHS 38 TO 40.—The subject of these paragraphs would be more appropriately brought forward separately than in an Inspection Report of the accounts of a Range. It should be taken up in connection with the revision of forms approved in these orders, and the Governor in Council directs that this be done.

PARAGRAPH 42.—Paragraph 42 will be remitted to the Financial Department, in continuation of the papers already transferred to that department.

A copy of G. O., No. 114, of 20th October 1873, will be forwarded to the Controller for information.

(True Extract.)

Colonel, R.E.,
Secretary to Government.

To the Officiating Controller of Public Works Accounts, with Government Order.
To District Engineers.
To the Financial Department.
,, Special Executive Engineer, Wynaad.

Exd. S. T. Austin.
6 Spare Copies

1175

Financial (1874) Despatches

Govt. of {1874} Madras.

PUBLIC WORKS.

To

THE OFFG. CONTROLLER OF PUBLIC

WORKS ACCOUNTS.

&c., &c., &c.

Dated June 30th.

Read. July 6th Encl.

G. O., 30th June 1874, No. 1,751.

JUNE.

Nos. 619-620

No 1387

The Board of Rev. with No 1355 dated 2nd July 1874

Offg. Secretary with No 1/1/57

Inspection Report.—Passing orders on the report of Lieutenant Christie, R.E., Deputy Controller of Public Works Accounts, on his inspection of the Cuddalore Range Accounts of the South Arcot District.

With cir

Ootacd 16th July 1874
No 1175

Lieutenant Christie is mistaken in the inference which he has drawn from G. O. 5/2d October 1873 No 114.

The existing arrangement is based on the fact that the Local Fund portion of establishment is employed especially on account of the old Local Fund works, but as the Imperial subdivisional establishment is available for employment on the Imperial works mainly classed as Local Fund works a share of it cost is debited to Local Funds. The difficulties in the way of combining the two subdivisional establishments, ~~lies in the fact~~ are under consideration separately.

H
13/7

The real difficulty is that it would make more apparent an arrear of Rs 1,61,930 to the cost of the Public Works establishment and the Port of India might object.

C 13/7 R 15/7

Govt. of {1874} Madras.

Financial

To
The Board of Revenue.

G. O. July. 16. , 1874, No. 1175.

Nos. 150. 157.

Local Fund Petty Estabt.- The views of Govt expressed on the Subject of the debit of Cost on this account in ref. to certain remarks by Lieut: Chrystie, R.E. Dy. Controller of Public Works Accounts in his inspection report of the Cuddalore Range Accounts.