M.R. O. 1—32,000—16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue

Judicial DEPARTMENT.

G.O. No.	1750	~~Press~~ Mis.	
62-63 Dated	6-12-	19	1864

416

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 26th October 1864.

No. 333. Read the following letter from W. HUDLESTON, Esq., Secretary to the Board of Revenue, to J. D. SIM, Esq , Secretary to Government, Revenue Department, dated Madras, 23rd June 1864, No. 3,885 :—

SIR,

1. I am directed by the Board of Revenue to submit for the consideration and orders of Government the following facts relating to the audit of Revenue Contingent charges in the Board's Office, and to make some suggestions for placing it on a more satisfactory footing.

2. In their Order, dated 5th November 1860, No. 2,047, Government directed the Board to undertake the audit of the Revenue Contingent charges, and desired them to arrange the details necessary for giving effect to the decision, both as respects the particular classes of charges, and the mode of exercising a proper control. The Board accordingly forwarded a list of the items of charges to be transferred to their audit, which was approved by Government in their Order, dated 20th July 1861, No. 1,415, and according to which the audit has since been conducted in the Board's Office. Subsequently, however, various other charges not included in the list and therefore not intended in the first instance to be audited by the Board, have been transferred to them by orders of Government, and thus they now audit not only all Revenue Contingent charges under the heads of Land Revenue, Forest Revenue, Abkarry, Income tax, Salt, Sea and Land Customs, and Miscellaneous, but also those on account of Saderwarid, Travellers' Bungalows, and Native Choultries, and the charges connected with the several Local Funds, as the District Road Fund, Jungle Conservancy Fund, Pound Fund, and Stamping Fee Fund. The audit of the allowances paid to village officers has also been vested in the Board by a recent Government Order, dated 21st May 1864, No. 875.

3. The charges on account of Saderwarid and Extra Establishments were expressly excepted in the first instance from the Board's audit, as they are included in Estimates previously sanctioned by Government. The Government however directed in paragraph 12 of their Order, dated 23rd November 1863, No. 2,106, that the Saderwarid charges should be audited and passed by the Board, and arrangements have accordingly been made for the purpose. The Civil Paymaster wishes that the charges on account of temporary Establishments annually sanctioned by Government should also be included in the Revenue Contingent Bill. This will thus also in future fall under the audit of the Board.

4. The Civil Paymaster also considers the Income Tax Establishments to be temporary, and therefore proper to be included in the bill of contingent charges. It was pointed out to him that the Income Tax Establishments cannot be viewed in the same light as ordinary temporary Establishments, which vary from year to year, and are sanctioned by Government annually; but Mr. Lodwick continues of opinion that these Establishments should be included in the monthly contingent bills sent by the Collectors to the Board for audit, and as the arrangement appears to coincide with the practice in Bengal, the Board do not wish to press their objection.

5. They however desire to bring to the notice of Government that in the Revenue Contingent Bill are included Magisterial, Judicial, and other charges foreign to the Revenue Department, such as batta to prisoners, rewards for apprehending offenders, the jail charges, and those connected with the Meriah Agency. Under the present Budget system these charges are not included in the Revenue Budget, nor are the orders passed by Government in the Judicial Department communicated to the Board. Some of the charges are moreover incurred under orders of the High Court, of which the Board have no cognizance; and as the Board have no means of satisfying themselves of the correctness of these charges they are of opinion that the duty of auditing them would more properly devolve on the Office of the High Court in which the Budget of Judicial charges debitable to Law and Justice is prepared.

6. Numerous other charges altogether unconnected with the Revenue Department are sent to the Board monthly for audit, and as one remarkable instance, may be mentioned a bill for a Chaplaincy Establishment in the Tinnevelly District sent by the Civil Paymaster to the Board for their countersignature. The bill was returned to him unaudited; but the circumstance is

mentioned here to show what apparent misapprehension prevails in the Audit Office as to the nature of the Board's duties in connection with the Audit of Charges, and as to the description of charges to be audited by them.

7. Another point which the Board wish specially to bring to the notice of Government is that items of contingent charge passed by them after due consideration of their expediency, are often subsequently struck out by the Civil Paymaster as inadmissible on grounds which the Board deem insufficient. For instance a charge of about 5 Rupees for the purchase of French and Country paper and quills for the use of the Income Tax Department in certain Talooks in Tanjore was lately struck out as being opposed to the Notification of the Superintendent of Stationery. The Board were aware of this Notification when they passed the charge; but it cannot be held applicable to the Income Tax Departments of *Talooks* when purchases of small quantities of country paper, &c., are made as occasions require. The frequent disallowance of such charges causes unnecessary correspondence.

8. As Mr. Balmain remarked on a former occasion, and as was ruled by the Government of India in their order alluded to by the Madras Government in paragraph 4 of their Proceedings, dated 5th November 1860, No. 2,047, "the Audit Office is simply an Arithmetical Office; it "verifies calculations and compares charges with vouchers; but it has not authority, nor has it the "means to question the expediency or the correctness of a charge sent up under sufficient "authority." The Board believe that as the controlling head of the Revenue Department their authority should be considered sufficient for the Civil Paymaster to pass charges.

9. The Civil Paymaster has moreover directed that only one Contingent Bill be submitted from each District for each month. This rule is no doubt good in principle; but its unvarying enforcement in that regard to exceptional cases cannot fail to be productive of much inconvenience. For instance Supplemental bills received from Collectors with explanation for items disallowed by the Board, or for those unavoidably omitted from a former bill, are occasionally passed and forwarded to the Civil Paymaster; but this officer returns them unaudited with instructions to include them in the next month's bill, thus causing probably a delay of nearly one month in the adjustment of the charges in the Collector's accounts. The Accountant General has repeatedly drawn the Board's attention to the necessity for early adjustment of the numerous items of charges remaining unadjusted in the Treasury account; but the delay in audit referred to above must tend greatly to retard the progress of adjustment, though it is the anxious desire of the Board to ensure a speedy adjustment by a prompt system of audit of the bills submitted to them.

10. It was expressly provided in regard to the charges transferred to the Board's audit that while their expediency and correctness were to be looked into by the Board, the calculations were to be verified by the Civil Paymaster; but the Boa d observe that practically this rule cannot be maintained. The calculations are tested in the Board's Office although this duty was not required of them, for they naturally feel reluctant to pass a bill unless they are satisfied of its correctness in every respect, and glaring inaccuracies cannot under any circumstances be allowed to pass unnoticed and uncorrected. Moreover where items are disallowed by the Board, the necessary correction of the total amount seems properly to devolve on them. The Civil Paymaster too in one instance in which the total of a long bill was found wrong returned the bill to the Board for correction. Thus it will be seen that very little is left to be done by the Civil Paymaster in connection with bills passed and sent to him by the Board, although in some cases he strikes out items passed by the Board, and returns the bills to the Collector without giving notice to the Board of the items so struck out.

11. The Board can see no advantage whatever in this system under which the same work is done twice over in two Offices while a complete audit is practicable in one, and they would propose that for Revenue charges proper their audit should be sufficient without further reference to the Civil Paymaster. If the audit of charges in the Board's Office were confined to those of the Revenue Department, for which the detailed Budget Estimate is annually submitted by the

to Government, the Board could also take care that the charges incurred did not exceed ns passed on account of them in the Budget, as they are in possession of these particulars. re confident also that their audit could be conducted so promptly as to bring the charges month to adjustment in the accounts of the same or the following month, which is not the present. The system proposed by the Board would be somewhat similar to that followed rd to the audit of Public Works charges by the Controller and Auditor of Public Works nts, and the Deputy Auditor and Accountant General would, as the final Auditor, look to rectness of the charges, when the audited bills are sent to him as vouchers with the t Treasury Accounts. The duty of audit thus proposed to be conducted by the Board be confined to the contingent charges of the Revenue Department under all heads includ- extra tent allowance of Collectors, the Saderwarid, the Extra Establishments, Village shments, Refunds of Revenue, the Chuttrum Establishments, and the charges connected ne Local Funds placed under the control of the Board. The salaries of Collectors, &c., and r fixed Establishments, and also the pensions of different kinds and other charges of a l nature would, as usual, continue to be audited by the Civil Paymaster, who being thus d of the audit of the petty charges of the Revenue Department would probably be able rove the arrangements for the timely and efficient audit of charges properly belonging to partment. The Board presume that in regard to the audit of the Bungalow, Chuttrum, llage Establishments, and other charges connected with Local Funds, the Government do end that the bills after being audited in the Board's Office should go for further audit to vil Paymaster, and what the Board recommend is that the same system be extended to the ne Contingent charges.

. The Board are anxious that the charges audited by them should be brought under and systematic control and check, and to speedy adjustment; but at present they find ey are powerless to issue the necessary instructions for the purpose so as to simplify the of bills, or to prescribe the arrangement of items in them, as these are matters with which il Paymaster considers that the Board cannot interfere under the order of the Govern- f India, dated 4th September 1860, in which it is stated that the Local Government ought interfere with the mode of drawing, or preferring charges, or with the internal arrange- f the Audit Office. The Board have no desire whatever to interfere unnecessarily with rangements of the Civil Paymaster; but they consider that to enable them to exercise t control over the charges audited by them, and to facilitate the examination of the bills to them, they should be allowed the discretion of altering and prescribing the form, &c., in such manner as they may consider expedient. The Board do not suppose that it was ention of the Government of India in the above order to render the Controlling Heads of ments powerless for the introduction of such changes as may be considered necessary for esome and efficient control over charges audited by them.

. The Board desire me to request that it may be distinctly ordered that bills submitted Board shall be confined to such charges only of the Revenue Department as are above ated. They also request the orders of Government on the suggestion contained in ph 10, as to the practicability of rendering their audit complete in every respect. Should ever be deemed inexpedient to sanction this independent audit, the Board request that ay at least be permitted to simplify the forms of bills submitted to them for audit in such r as will facilitate the work in their Office, and be consistent with the classification of items Budget. This will by no means interfere with the final audit to be made in the Civil Pay- 's Office, which is after all nominal. The bills, as at present submitted, are in unnecessary and are defective in arrangement. Many details which are now given in the bills ns such as batta to public servants, carriage of dufters, charges for the manufacture, export nage of salt may well be shown in a separate Statement to be retained by the Board for ce, but can be of no use either to the Civil Paymaster or to the Accountant General, as l itself will show all the principal items of charges as entered in the District Treasury t submitted to the Accountant General. Such is the kind of slight changes which are

desired in the form of bills; and the Board do not think there can be any objection to such improvements being effected to suit the convenience of the Audit Department in their Office.

14. The Board desire me to take this opportunity of informing the Government that whether the present state of things undergoes change as suggested by them, or is allowed to remain as it is, it will be necessary to increase the strength of the Board's Cutcherry to make it equal to the efficient discharge of the additional duties imposed upon it by the extensive transfer to the Board of the audit of charges, which has been made in late years; but this matter will form the subject of a separate communication after a few months' trial of the audit of the new charges.

15. There is one more point which the Board wish to be brought to the notice of Government. The present form of Pay Abstract furnished by the Civil Paymaster to the Collectors is very inconvenient. Besides other changes, involving additional labor in preparation, the new form requires that the name of every peon in the whole District shall be entered every month, which must entail much labor on the Collector's Establishment without any corresponding advantage, so far as the Board can see; and they bring the circumstance under the notice of Government because such additional detail work in the Collector's Department must interefere with the other important duties assigned to the limited establishment over which the Board have to exercise a general control. The preparation of the Pay Abstract in their own Office in the present form takes up the time of a Clerk for two or three days, while under the former system it was done in half a day, and the difficulty must be felt much more in a Collector's office with various minor Departments under it. The matter seems to deserve the consideration of Government.

No. 334. ORDER THEREON, 26th October 1864, No. 1,977.

Miscellaneous.

1. The Government regret to find from the foregoing letter that the Board of Revenue have been saddled with the audit of so many charges, wholly foreign to their duties and of a nature not requiring their audit. There can be no difficulty in drawing the line between charges which the Board should audit and those which should be left to the Civil Auditor. The Audit Office is simply an Arithmetical Office, verifying calculations and comparing disbursements with sanctions and vouchers, it has not the authority and does not possess the means to test the necessity, or correctness of charges incurred under sufficient authority. The latter duties devolve properly on the Board of Revenue, who have the means of efficiently performing them.

2. The Government will now pass orders on the points specially noticed by the Board.

Paragraph 2.

3. The Government consider that all *Revenue* contingent charges under the heads of Land Revenue, Abkarry, Income Tax, Salt, Sea and Land Customs, Miscellaneous (Revenue) village Revenue offices, and Saderwarid, properly appertain to the Board. The Civil Paymaster cannot exercise any intelligent or efficient check on such charges.

Paragraph 3.

4. The case is different as regards extra and temporary establishments, which are all specially sanctioned by Government.

Paragraph 4.

5. The Government do not concur with the Civil Paymaster in considering the Income Tax establishment as "temporary" in the proper sense of the term. The Budget classification distinguishes between fixed and temporary establishments, the former going on from year to year, without fresh sanction, the latter requiring renewed sanction at the close of each year. The Income Tax establishments are not of the latter class, they are not annually submitted for sanction, and service on them reckons for pension, while service on a temporary establishment does not so reckon. They will be maintained so long as the Income Tax last, and the Board's audit is quite unnecessary. The Contingent Bill is certainly not the place for such charges, especially

as their insertion in it delays their audit, and of course the issue of pay till the 15th of the month. The proper course is for salaries, not being fixed, to be submitted on a separate bill, but with the general Pay Abstract of the District direct to the Civil Paymaster.

Paragraph 5.

6. The Revenue Contingent Bill should include only Revenue charges, with which alone the Board can deal. The Board's remarks will be communicated to the Judicial Department, in view to the Board being relieved of the Judicial and other charges mentioned in this paragraph.

Paragraph 7.

7. The Civil Paymaster has no authority to strike out charges sanctioned by the Board within the powers vested in them by Government. If the Civil Paymaster is in doubt as to any charge, a reference to Government is the proper course.

Paragraph 9.

8. The rule that only one Contingent Bill shall be submitted monthly is of long standing, but like all general rules must be worked in a liberal spirit, so as not to cause public inconvenience. As the Civil Paymaster cannot disallow any item supported by proper authority, the cases in which he refuses to pass a charge should be very rare, if the bills are properly prepared. The Government are not prepared to alter the rule, but they authorize the Board in special cases, such as those instanced by them, to forward supplemental bills to the Civil Paymaster.

Paragraphs 10 and 11.

9. These paragraphs will be referred to the Accountant-General for his opinion. The Civil Paymaster has no concern with Local Funds, and the Government will be prepared to sanction a moderate establishment for the audit of their charges, &c.

Paragraph 12.

10. The Board will submit for the consideration of Government the alterations they would recommend.

Paragraph 15.

11. The Board's remarks in this paragraph will be communicated to the Civil Paymaster for explanation.

(True Extract.)

Secretary to Government,

To the Board of Revenue.
„ the Civil Paymaster.
„ the Accountant General.
„ the Judicial Department.

Exd. S. T. Augustin,

Sec. 15 — June 1864 etc. 4466/64
R — " — 5 — Nov. 1860 Oct. 2047
" — " — 20 — July 1861 — " — 1446.
" — " — 21 — July 1864 — " — 375.

List 12 Dec

Judicial Office Dept

Proceedings of Sportsmen's Revenue Depts
for 1977

Dated 26th
Rec'd 28th Oct

No. 2251.

Returning Miscellaneous Charges which should first duly be audited by the Board of Revenue & thence by the Civil Auditors. —

63-63

With Order.

No. 1750 — 6 December 1864.

The Governor in Council will defer passing orders regarding the audit of magisterial charges, until orders shall have been passed on the various suggestions made in the "Report of the Commissioners of Enquiry into Indian Accounts upon the constitution and mode of conducting the business of the Financial Department, & of the Offices of Audit & Account attached to that Department."

Hon. Rev. Dept.
" Civil Paymaster
" Accts. Genl.