C.F. 73.

Paper taken out of the Records from the charge of the Referencer.

DEPARTMENT.

Press / Miscellaneous / Routine No._____, dated_____ 195 .

Date taken out.	For what purpose.			Initials of clerk taking the paper or of attender.	Date returned.	Initials of attender.
	Department.	C. No.	Year.			

Local & Munl. (1898) Department.

MISCELLANEOUS.

G.O., No. 800 M

DATED 25-4-98

INDEXED. D.A.

DESPATCHED

[Despatch Abstract.]

Establishment.

Stating that the remuneration of Rs. 2500 now paid to the auditors of the Madras Municipality is inadequate and that it should be raised to Rs. 3,000 as suggested by the Accountant General, and sanctioning the alterations in the audit _____ of the Municipality.

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Fort St. George,

Local & Munl. (1897) Department.

CURRENT No. 3148. M

TO BE RETURNED WITH REPLY.

~~Order~~ No. 1190 dy 17-11-97

Referred to the Municipal Commissioners of Madras for remarks.

Secretary to Govt.

V.R. 6/11/97

From
The Accountant General
Madras.

No. L.J.D. 372

Dated 2—9 1857

Received 3—9—857

Registered

Enclosures /

Spare copies.

SUBJECT.

Requesting permission to apply to the Commissioners for an audit fee of Rs 3000 instead of Rs 2500 as at present fixed, to cover the increased cost due to the raising of the pay of the Head Auditor & to the appointment of an additional clerk on Rs 25/

To

The President, Munl. Commrs., Madras

2. Before

BACK PAPERS.

G.O.	No.	Department.	Date.
	893	Pub.	13-4-97
	209	Do.	12-2-97
	1772	Do.	17-10-96
	758	Do.	4-5-96
	223	Pub.	19-12-95
	1480	Do.	12-9-95
	1340	Do.	21-9-95
	1205	Pub.	21-9-94
	899	Local	2-6-93
			24-4-93

Back

FURTHER PAPERS.

G.O.	No.	Department.	Date.
	1471	Pub.	6-6-92
	1219	Pub.	23-5-92
	982	Pub.	23-4-92
	972	Pub.	29-4-92
	1295	Pub.	13-8-91
	988	Local	23-4-91
	1717	Pub.	17-11-90
	1217	Pub.	18-6-90
	2016	L.	12-6-90
	1092	Pub.	24-7-90
	952	Pub.	23-6-90
	95-9	Pub.	23-6-90
	95-6	Pub.	14-5-90
	262	Pub.	10-2-90
	537	Do.	25-5-88
	452	Pub.	4-5-88
	274	Pub.	22-3-88
	1168	Do.	11-11-97
	904	Pub.	8-5-87
	540	Pub.	8-6-87
	374	Do.	27-4-86

LOCAL FUND DEPARTMENT.

Fort St. George,
Accountant-General's Office,
2 September 1897.

No. L.F.D. 372

3148/M

From

J. C. Harrison Esqr.
Offg. ACCOUNTANT-GENERAL
TO THE GOVERNMENT OF MADRAS,

To

THE Secretary to Government.
Local and Municipal Department.
Fort Saint George.

SIR,

I have the honour to address you in regard to the inadequacy of the establishment employed in auditing the accounts of the Madras Municipality.

2. The work was first entrusted to the Local Fund Department of this Office in 1888, and an auditor on 60-85 was entertained out of a contribution of Rs 2,000. vide Government Order No. 452 m. dated 4th May 1888, and Government Order No. 537 m. dated 25th may 1888. Subsequently an Assistant auditor on Rs 30-50 was appointed with effect from the 1st June 1892 the contribution being raised to 2500/. vide Correspondence ending with Government order No. 988 L. dated 23rd April 1891

3. The marginally noted figures indicate the steady increase of work for the past 8 years, the excess in the number of vouchers alone during the past official year, over those of 1892-93, the year in which the assistant auditor was appointed being 1303, or about 26%. The audit of expenditure vouchers however is only a portion of the work, as much time has to be spent in checking receipts, and tracing entries into the Cash Books, Journals, and Ledgers, and the various miscellaneous registers. In all these directions there has been a corresponding increase of labour.

Year.	No: of vouchers dealt with.	Amount of Receipt	Amount of Expenditure
1889-90	4251	12,15,560	11,16,560
1890-91	4408	10,55,784	11,56,562
1891-92	4745	10,71,391	11,53,668
1892-93	5004	12,74,394	13,65,717
1893-94	6317	12,27,778	12,43,546
1894-95	6333	12,74,948	12,55,419
1895-96	5950	20,89,202	17,87,099
1896-97	6307	14,36,115	15,36,115

4. The present audit staff therefore find considerable difficulty in coping with the work as it is, but I should probably have hesitated to trouble Government in the matter, were it not for the fact that a large increase of expenditure may be expected in the immediate future, in connection with the schemes for Drainage works, Market, and Incinerators. For the former, the estimates con-

cost is 32 lakhs, while for the two latter the probable expenditure is 4 lakhs, of which 1 1/4 lakhs have been provided in the budget for the current year.

5. The whole expenditure on these projects is expected to be spread over about 7 years and the average annual outlay may therefore be some 5 lakhs of rupees. There is no doubt that this will still further add to the audit work, and I fear that unless the staff is strengthened it will be unable to cope with it. With every increase of work also, the responsibility of the head auditor increases, and as his pay has remained stationary for the last 9 years, I think a reasonable addition to his emoluments should be made. The head audit clerk is at present drawing Rs 80 in an appointment ranging from 60-85, which corresponds to the 2nd class of Clerks in my office, and

2. Before

I would therefore suggest a rise to the grade of 90-115. In this connection I may mention that the pay of several of the Superior clerical appointments in the Municipal office has recently been raised, as shown in the margin.

	From	To
Superintendent Revenue & Department	110	125
Head Clerk, General Dept.	80	125
Head Clerk Rev. Dept.	60	70
Head Clerk P.W.D.	50	60
Accountant Do.	44	50
Head Clerk Health Dept.	45	50
Storekeeper now	40	60

6. In consideration of the circumstances set forth above, I would ask for permission to apply to the Commissioners for an audit fee of Rs 3,000/- instead of 2,500/- as at present fixed, to cover The increased cost due to the raising of the pay of the head Auditor from 60-85 to 90-115, and to the appointment of an additional clerk on Rs 25/-. 7. I append a statement showing the present and proposed scales, from which it will be seen that after meeting the cost of the latter a sum of Rs 407-14-5 will remain over out of the fee of Rs 3000/- to cover the cost of Supervision &c. The corresponding figure under the existing arrangements is Rs 677-14-5

I have the honor to be,
Sir,
your most obedient Servant
Illegible
Offg: Accountant General

Statement showing the present and proposed Scales of the Madras Municipal Audit staff.

No.	Present Scale — Names of appointments	average annual cost on account of Pay	average annual cost on account of Pensionary Contribution
		Rs	Rs a p
1	Auditor on 60-85 grade	945	157-8--
1	Asstt. Dy. on 30-50 grade	540	90----
1	Peon on Rs 7	84	5-9-7
		1569	253-1-7

1822-1-7.

No.	Proposed Scale — Names of Appointments	average annual cost on account of Pay	average annual cost on account of Pensionary Contribution
		Rs	Rs a p
1	Auditor on 90-115 grade	1305	217-8--
1	Asstt. Dy. on 30-50 gr	540	90----
1	Clerk on Rs 25	300	50----
1	Peon on Rs 7.	84	5-9-7
		2229	363-1-7

2592-1-7

Present Contribution Rs 2500---
Deduct present Cost 1822-1-7
Balance Rs 677-14-5

Proposed Contribution Rs 3000---
Deduct Cost of the proposed Scale 2592-1-7
Balance Rs 407-14-5

For Secy.
Accts Contl Office,
2nd Septr 1897

H. Mannion
Off. Accountant General

Extract referred to.

Endorsement No.1190. dated 17th November 1897, from the Se-
-cretary to the Government of Madras, Local and Municipal Depart
-ment, on current No.3148 M.re the increase of audit fee from
Rs.2500 to Rs.3000.

Proposed by M.R.Ry. P.Theagaroya Chetty Garu and seconded by M.R.Ry.R.N.Pragasa Mudaliar Avargal.-

" That the Commissioners do not approve of the proposed in-
-crease".

Carried.

1/3148 Nov 1897

If the auditor will

28

Local & Munl. (1898) Department.

CURRENT No. 648 M

SECRETARY TO GOVERNMENT
3--FEB-1898
LOCAL & MUNICIPAL DEPARTMENT

From

THE PRESIDENT,
Municipal Commission,
Madras.

Order

G. No. 548

Dated 2-2-98
Received 3-2-98
Registered 3-2-98
Enclosures 1 & C. No 3148 M of 1897 retd.
Spare copies

SUBJECT.

Forwarding an extract from the proceedings of a General Meeting of the Commissioners held on 31st January 1898 re the increase of Auditor's fee from Rs: 2500 to Rs: 3000—

2. Before

1/31

1/648 M of 1898.

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Genl. Dept.
13.

G. No. 528

MUNICIPALITY OF MADRAS,

General Department,

Madras, 2nd February 1898.

From

LIEUT.-COL. SIR GEORGE MOORE, KT., C. I. E.,

President, Municipal Commission.

To

The Secretary to Government,

Local and Municipal Department,

Fort St.George.

SIR,

Enclosures
2

With reference to your endorsement No.1190, dated 17th November 1897, on current No.3148M (herewith returned), I have the honor to forward an extract from the Proceedings of a General Meeting of the Commissioners held on 31st Ja--nuary 1898.

2. With regard to the steady increase of vouchers referred to by the Accountant-General, I would point out -- that prior to 1892 all payments below Rs.20/- were made in cash, and a Bill used to be prepared by the Account Depart--ment for several payments. This Bill- the main voucher---- would probably contain 20 sub-vouchers. Statistically it-- might be taken as 1 voucher, but practically 21 vouchers-- had to be checked. Since 1892 no payment has been made in cash, so that every payment is a main voucher. This I think may have been overlooked by the Accountant-General.

3. I cannot follow that Officer's argument that be--cause the pay of Municipal appointments has in some cases been raised the pay of the audit establishment should also be raised.

4. With regard to the anticipated increase of expen--diture, no doubt there may be an increase in the work, but the nature of the work will remain the same. An increase of establishment may be necessary, and if the proposed clerk on Rs.25 be entertained there will still be a balance of--- Rs.327-14-5 out of the Rs.2500/.

I

30

5. I do not think the Accountant-General has established his case.

I have the honor to be,

Sir,

Your most obedient servant,

Lieut.-Col.,

President, Muni.Commn.

[L. & M.]
300 16-2-98.

31

LOCAL AND MUNICIPAL DEPARTMENT.

Papers to be read in Proceedings:—

Again G.O., No. dated 189 ,

Again G.O., No. dated 189 ,

Current No. 3148. in of 1897, dated 2nd September 97, from the Accountant General.

" " 643. in " 1898, " 2nd February 98, " the President. M.C. Madras.

" " " 189 , " , "

Reference ~~ORDER.~~ 376 29/8/98

Section 92 of the City of Madras municipal Act I of 1884, as amended by Acts VII of 1884 and II of 1892 requires the Government to nominate two persons to be auditors of the municipal accounts; and section 96 says that the auditors may receive out of the municipal fund such remuneration as the Commissioners determine with the sanction of the Governor in Council. The Advocate General is requested to state whether the Government has got the power to order the municipal Commissioners to pay the auditors a larger amount of remuneration ~~than what they are de~~ if the Commissioners fix a sum unreasonably small. ~~posed to sanction.~~

(From orders)

V.R. 24/8/98

23-8-98

2. Before

a Under the budget allotment made by the Corpn. can be enhanced for.

Copy to be kept for reference V.R. 25/8/98

To The Government Solicitor.

Order 29/8/98

30 11

/32

Local & Munl. (189) Department.

CURRENT No. 1294M.

From The Govt. Solicitor Madras

Order

No. 200

Dated 7-4-98.

Received 13

Registered

Enclosures

Spare copies.

SUBJECT.

Forwarding with reference to the Govt. Memo No. 376 dated 29-3-98 the opinion of the Advocate General.

2. Before

BACK PAPERS.

G.O.	No.	Department.	Date.
Secn	3	7/6/88	

FURTHER PAPERS.

G.O.	No.	Department.	Date.

Sec 92, 96 & 88 of the City Act

LOCAL & MUNICIPAL
CURRENT No. 1294 M

F. No 800 M
25-4-88.

OPINION.

1. The question in this case is, whether the Government has power to order the Municipal Commissioners to pay the Auditors a larger amount of remuneration than the amount determined by the Commissioners if the Government is of opinion that the sum fixed by the Commissioners is unreasonably small

2. Section 92 of the City of Madras Municipal Act, 1884, provides that the Governor in Council shall nominate two Auditors, and Section 96 provides that the Auditors shall receive out of the Municipal Fund such remuneration as the Commissioners determine with the sanction of the Governor in Council.

3. The Municipal Fund is constituted by Section 59, and the same Section provides that the Municipal Fund shall be under the control of the Commissioners

4. The provisions relating to the preparation, etc of the Municipal Budget are contained in Sections 84 to 91 of the Act. The Budget is prepared by the President, and sanctioned by the Standing Committee (S 84). It is then laid before the Commissioners who have power (S 87) to pass or modify all or any of the items, or to reject or add any item. The budget, after being passed by the Commissioners, is submitted to the Governor-in-Council who also has power (S 88) to pass reject or modify any item, or to add any item. The Commissioners are required to abide by the budget as approved by the Government (S. 88)

5. I assume that an item for the Auditors' remuneration is included in the "detailed estimate of the probable expenditure" referred to in Section 84 para (b). If this be so, it would, be competent for the Government in the exercise of their powers under Section 88 to increase the item for Auditors' remuneration in the "detailed estimate." Even if the word "modify" as used in Section 88, does not confer the power of increasing the amount of an item, it would be within the powers of the Government under the words "add thereto any item" to insert an additional item for increased remuneration to the Auditors.

6. The Government, therefore, has power upon passing the budget to

2. Before

34 15

see that proper provision is made for the remuneration of the Auditors during the ensuing year; but, in my opinion, the Government has no power "to order the Municipal Commissioners to pay the Auditors a larger amount of remuneration if the Commissioners fix a sum unreasonably small"

7. Under Section 96 the sanction of the Government is a condition precedent to the receipt by the Auditors out of the Municipal Fund of such remuneration as the Commissioners determine. Under this Section the powers of the Government are, in my opinion, limited to sanctioning or refusing to sanction. They have no power to alter the amount on their own initiative. It would of course be perfectly competent for the Government to refuse to sanction the amount, stating as their grounds for so doing, that they consider the amount inadequate. It would then be open to the Commissioners to re-consider the matter and determine an increased amount. But, unless the Commissioners are prepared to take this course, the only way in which the Government can deal with the matter, in my opinion, is by insisting on proper provision being made for Auditors' remuneration, under the powers conferred by Section 88 in future Municipal budgets.

C. Arnold White

Advocate General

Madras

6th April 1898.

True Copy

Ernest Barclay

Government Solicitor.

(1898) Department 6 35 16

From Ernest Barclay.
Government Solicitor
Madras

To The Secretary to Government
Local & Municipal Department
Madras

RECEIVED TO GOVT
10 APR 98

No 200

Dated 7th April 1898
Recd

Forwarded with reference to the Memorandum of Government dated 29th March 1898 No 376.
Local & Municipal.

Ernest Barclay
Government Solicitor

25
250—7-4-97.

LOCAL AND MUNICIPAL DEPARTMENT.

C. No. 3148-M/97 and 64 3m/98 — 429 and 2.

SUBJECT.

Increase of contribution for Madras Municipal Audit.

FOR ORDERS.

In his letter read above the Accountant General brings to notice that the establishment employed in auditing the accounts of the Madras Municipality is inadequate and requests permission to apply to the municipal Commissioners for an enhancement of the annual audit fee from Rs 2500 to Rs 3000, in order that the audit staff may be strengthened so as to be able to meet the increase of work which has already taken place since the year 1892-93, when an Assistant auditor was entertained, and the large increase expected in the immediate future in connection with the schemes for the Construction of drainage works, market and incinerators.

No. 1219-2 23-5-92 & 1206-2 2-6-93

D & T.

E
F
G

2. Before

2. Before discussing the validity of the grounds upon which this request is based, it is necessary to describe briefly the arrangements under which the audit of the accounts of the Madras Municipality is at present conducted. Section 92 of the City of Madras Municipal Act III of 1884, as amended by Act VII of 1884, and Act II of 1892, requires Government to appoint every year two persons to be auditors of the accounts of the Madras Municipality. Prior to 1887, the audit work was entrusted to two non-official gentlemen who were selected by the President annually and approved by Government and a sum of Rs 1400 was paid to them as remuneration for their trouble and for the expenditure connected with the audit. This system not having been found to work well and the gentlemen appointed to audit the accounts for 1886-87 having failed to perform their duty properly, the Government considered it advisable to transfer the audit work to the Inspector of Local Fund accounts, who audited the accounts of all the District Municipalities in the Presidency and had for the purpose an adequate staff of assistants, and the Accountant General was asked to state whether he could not arrange accordingly. The Accountant General deprecated any additions to the heavy duties and responsibilities of the Inspector of Local Fund accounts, but suggested that as a temporary measure the audit of the accounts in question might be entrusted to the outside audit Department of his office, which audited the accounts of the Administrator-General, the Official assignee, the Court of Wards and the Lawrence Asylum &c, that the Accountant General and his Chief Superintendent might be appointed auditors, and that at the end of a

year, when the work had been thoroughly systematized, it might be transferred to the Inspector of Local Fund accounts, as the office of the latter would by that time have gained sufficient experience and be better able to cope with the work. The Government approved of these proposals in its Order No 540. M, dated 8th June 1887, and the present arrangement under which the audit is conducted by the Inspector of Local Fund accounts and the Accountant General was accordingly adopted from the year 1888-89. The annual audit fee was then raised from Rs 1400 to Rs 2000, as the Accountant General represented that for the purpose of carrying out the audit of the Madras Municipal accounts, a clerk of some experience and standing should be appointed

I.

L

M

G.Os. 452. M, 4-5-1888. × N 537. M, 25-5-1888.

O

in the Local Fund branch of his office on a salary of not less than Rs 60-5-85, who should be able to work independently in the Madras Municipal office in connection with the audit of receipts, the various registers into which they are posted not being removable therefrom, and that the sum of Rs 297-8-0, which would be left out of the usual audit fee of Rs 1,400 after meeting the pay and pensionary contribution of the said clerk, would be quite insufficient to defray the cost of the share of the audit work performed by the Inspector of Local Fund accounts and the Accountant General. vide

M. G.Os No 452. M, dated 4th May 1888,

N and No 537. M, dated 25th May 1888.

In 1890, the Accountant General

P again represented that the fee

of the auditor

Rs 2000 was quite out of pro-
portion to the value of the audit-
ing agency that was employed
in the work of auditing the Madras
municipal accounts, that it had
been found after actual experience,
that the audit as then conducted
cost considerably more than the
amount of the audit fee, so that
it would be necessary either to
increase the amount of this fee
or to lessen the cost of the labour
bestowed upon the audit. As
however, he did not anticipate
that the Government would adopt
the latter alternative and as the
actual cost of the audit in
1890-91 and in future years would,
in his opinion, amount to about
Rs. 3,300, he requested that the audit
fee may be raised to at least
Rs 3000 per annum, vide his letter
disposed of in G.Os No. 962-m, dated
23rd June 1890 and No. 1092-m, dated 24th

G.O. No. 962-m of 1890. P.
23-6-90.

July 1890. The municipal com-
missioners, who were consulted
in the matter, were not in favour
of the increase; but the Govern-
ment, in view of the circumstances
brought to light by the Accountant
General, directed that it should be
raised to Rs 2500 - vide G.O. No. 985 dated
23rd April 1891. Two years after
the entertainment of an Assistant
audit clerk on Rs 30-4-50 was
sanctioned by Government in
G.O. No. 1206-2, dated 2nd June 1893
with effect from 1st June 1892, the
Accountant General having
represented that his services
were imperatively necessary, vide
his letter printed on page 2 of
G.O. No. 899-2, dated 26th April 1893.

3. The Accountant
General now requests that the
annual audit fee should be
raised to Rs 3000. He states

x Vide para 6 of his letter.

Vide para. 3 of the Accountant General's letter.

at the number of expenditure vouchers audited has been steadily on the increase since 1889-1890, that the number in 1896-97 was 6,307 as compared with 5,004 in 1892-93, the year in which the assistant audit clerk was employed, that there has also been a corresponding increase in the work of checking receipts and of tracing entries into the cash books, journals, ledgers and the various miscellaneous registers, and that the present audit staff finds considerable difficulty in coping with this increased work. He, however, states that on these grounds alone he would not urge for an increase in the audit fee, were it not for the fact that a large increase in the expenditure is expected in the immediate future in connection with the schemes for the

Vide para. 4 of his letter.

the construction of drainage works, market and incinerator which are estimated to cost 36 lakhs in the aggregate, and that the expenditure on these works, which is expected to be spread over about seven years, taking the average annual outlay at about 5 lakhs, will undoubtedly throw much additional labour on the already heavily worked audit staff. The Accountant-General therefore fears that unless the audit staff be properly strengthened, it will be unable to keep pace with the increased work and proposes that the pay of the head audit clerk whose responsibility will increase proportionately, should be raised from Rs 60-5-85 to Rs 90-5-115, that an additional clerk on Rs 25 should be entertained

d that in order to cover these
creases in the cost of the establish-
rent, the audit fee should be
aised by Rs 500.

4. The estimated expendi-
ture on the drainage works, market
nd incinerators as sanctioned by
Government is Rs 34,31,000, as shown
below :—

	Rs
Drainage Scheme —	31,81,000.
Construction of a market —	1,00,000.
Construction of incinerators —	1,50,000

The ordinary expenditure of the
municipality in 1895-96, excluding
the sum of Rs 5,97,371 spent upon the
special water-supply and drainage
schemes and of Rs 1,98,365 incurred
on repayment of debt and interest
on loans, amounted to Rs 9,91,362,
and as the increase in the annual
expenditure on account of the
execution of the drainage scheme
is expected to amount to 5 lakhs
or about half of the ordinary ex-
penditure, there is no doubt that

Vide - para. 5 of the Accts Genl's letter.

the additional work that will
be thrown on the audit staff in
consequence of the execution of the
works above referred to, will be
heavy; and although this in-
crease of work will be temporary,
lasting only ~~as long as~~ until the drain-
age scheme is completed ~~is carried out~~ —
~~and completed~~ yet having regard
to the fact that the water-supply
scheme will have been taken
up by the time the drainage
works are completed and that
the ordinary audit work will also
have increased in the mean-
time, there seems to be no ob-
jection to sanctioning the
proposed increase in the
cost of the establishment per-
manently, as requested by
the Accountant-General. Before
however, passing final order
in the matter, it seems to be

letter to refer the Accountant-
General's letter to the municipal
Commissioners of Madras for
remarks. Please see draft endorsement on the
current.

V.R
6/11/97

Refer accordingly.

Issue dayt 6/11

5- With his letter read above, the
President of the Municipal Commission
Madras, forwards a resolution of the
commissioners disapproving the
proposed increase in the contribution
with regard to the steady increase
of Vouchers referred to by the
Accountant-General. The President
points out that, prior to 1892, all
payments below Rs 20 were made
in cash, a single bill being
prepared for several payments,
so that, as each bill would probably
contain twenty sub-vouchers, every
bill, although counted as one voucher
for

× Current no. 643 m. of 98.

for statistical purposes, was practically
vouchers; but that, since 1892, no payme
being made in cash, every payment is a
main voucher, and that this point has b
overlooked by the Accountant-General.
The President states that he can not follo
the Accountant-General's argument, that
because the pay of the Municipal servants
has in some cases been raised, the pay of th
audit establishment should also be raised,
and contends that, although there may be an
increase of work of the auditors owing to the
anticipated increase in the expenditure, the
nature of the work will remain the same, that
all that may be necessary will be an increase
of establishment and that if the proposed
clerk on Rs 25 be entertained, there will still be
a balance of Rs 327-14-5 out of the contribution
of Rs 2500 now paid by the Madras Municipality.

6 The President states that the Accountant-General's
argument based on the increase in the number
of vouchers is fallacious. Granting this is so, the
steady increase in the receipts and expenditure
of the Municipality from the year 1893-94,
as noted in the margin of para 3 of the
Accountant-General's letter, shows that the
work of the audit staff must have increased
to some extent. It is however admitted on
all hands that the work of the auditor

fc no 988.a / 23-4-91. S.

Expenditure Consequent on the Execution of
Extensive Schemes of Water Supply, drainage &c,
and the Commissioners are of opinion that the
proposed additional Clerk may be allowed.
But considering the very large expenditures
which the Execution of the Schemes above referred
to would involve and the importance of
Exercising efficient check over it, there
should be at the head of the Audit Staff a
man of Sufficient Experience and ability, and
the proposal of the Accountant General to
increase the Salary of the head Audit
Clerk implies that, in his opinion, a man
possessing these qualifications cannot
be got for less than the proposed pay. It
is therefore submitted that the Accountant General's
proposals may be approved and the Municipal
Commissioners asked to increase the Contri-
bution to Rs 3,000. In this connection it has
to be pointed out that in the year 1890, when
the Accountant General applied for an
increase of the Contribution from Rs 2,000, he
represented that the probable cost of the Audit
would amount to Rs 3308-6-8, but as the
Commissioners then objected to any increase
in the Contribution, the Government arbitrarily
fixed the amount at Rs 2,500. Vide Sir
Henry Stokes' notes in fo. no 988 L. &
22-1-91.

Vide the Statement in fo. no 1092 M 24-7-90 flagged A

for
I don't quite see how we can
V. under the Municl. Contr. & may not
then they are disposed to sanction

16/3/98

Note for

Note for the Honourable Member.

Section 92 of the Act re
quires the Government to nomina
two persons to be auditors of the mu
nicipal accounts and section 96 say
that the auditors may receive out
of the municipal fund such remu
neration as the commissioners de-
termine with the sanction of the
Governor in Council. Reading these
two sections together, it seems that the
Government has got the power to
modify the amount of the remune
ration which may be fixed by the
Commissioners. On the previous oc
casion also, the contribution was
raised by Government from Rs 2,000
to Rs 2500, notwithstanding the ob-
jection of the Commissioners vide
para 2 of G.O. No 988 L dated 23rd April
1891. Flag V. If the municipal
Commissioners object to the pay-
ment of the enhanced contribution
the Government can increase the
budget allotment under section 88
of the Act.

It is a legal question — Ask the Adv. Genl.

21/3/98

V.R. 18/3/98

The above, though not a
conclusive, is a tolerable
argument & is supported by
a precedent. It is submitted
for consideration. [illegible]

16.

17.

In reply to the reference made to him, the Advocate General states that in his opinion the Government has no power to order the municipal Commissioners to pay the auditors a larger amount of remuneration, if the Commissioners fix a sum unreasonably small, but that it has power upon passing the budget to see that proper provision is made for the remuneration of the auditors during the ensuing year. He considers that under section 96 of the Act, the sanction of Government is a condition precedent to the receipt by the auditors out of the municipal fund of such remuneration as the Commissioners determine, that the powers of the Government are limited to sanctioning or refusing to sanction, and that Govt has no power to alter the amount on its own initiative. It would, he states, be perfectly competent for the Government to refuse to sanction the amount, stating as its grounds for so doing, that it considers the amount inadequate

W

vide Current No 1294 m

E

X

vide G.O. No 671 m
29-3-98

inadequate and it would then be open to the Commissioners to reconsider the matter and determine an increased amount, but unless the Commissioners are prepared to take this course the only way in which the Government can deal with the matter is, he considers, by insisting on a proper provision being made for the auditors remuneration under the powers conferred by section 88 in future municipal budgets. Now that provision has been inserted by Government in the budget for 1898-99, for the increased remuneration asked for by the Accountant General, it seems unnecessary to ask the Commissioners to reconsider the matter, and it is submitted that as suggested by the Advocate General, the Commissioners may be told that the Government considers the remuneration now given inadequate and should be raised to Rs 3000.

The accompanying draft order is submitted for approval.

V.R.
15/4/98

H.T.
18/4/98

19/4/98

This will do for the present, but I think that, when we amend the City Municipal Act, we had better take power to fix remunerations in all cases in which we have power to make appointments or to refuse

Increase of contribution for the Madras municipal a

[L. & M.]
300—[illegible]-98.

LOCAL AND MUNICIPAL DEPARTMENT.

Papers to be read in Proceedings:—

Again G.O., No. dated 189 ,

Again G.O., No. dated 189 ,

Current No. 3148-M of 1897, dated 2nd September 97 from the Accountant General

" " 643-M " 1898, " 2nd February 98 , " the President M.C. Madras

" " 1294-M " 1898, " 7th April 98 , " the Government Solicitor

ORDER. No. 800 M Mis dt 25/4/98

The Government consider that the remuneration of Rs 2,500 now paid to the Auditors is inadequate and that it should be raised to Rs 3000, as suggested by the Accountant General. Provision has already been made for the increased amount in the budget estimate for 1898-99.

2. The alterations in the audit establishment proposed by the Accountant General are sanc[illegible]

V.R. 25/4/98

J.T. 25/4/98

Desp.
Please return the annexure after dispatching thanks.
CR 25/4/98

F.A.
Please let me have a draft answer to Hon. enquiries at the end of the office note
V.R. 25/4/98

To The President M.C. Madras.
The Accountant General.
Lr No 3148 Pg 643

Desp. 25/4/98