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MADRAS RECORD OFFICE.

Government of Madras.

public works **DEPARTMENT.**

G.O. No. 2386	Press <u>Mis.</u>
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Dated 19 - 8 -	18 64.

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*Proceedings of the Madras Government, Public Works Department,
19th August 1864.*

No. 404. Read the following Proceedings of the Madras Government in the Military
Department:—

Forwarding two copies of the Rules and Regulations received }
from the Government of India, for the guidance of all } (Here enter 12th August 1864, No. 2,778.)
Officers of Military Account and Audit.

No. 405. ORDER THEREON, 19th August 1864, No. 2,386.

Ordered to be recorded.

(True Extract.)

(Signed) J. H. M. SHAW STEWART, Major, R. E.,
Deputy Secretary to Government.

Exd. S. T. Augustin:

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*General Order by the Right Hon'ble the Governor General
of India, No. 197, dated 7th March 1864.*

In modification of the orders contained in the Resolutions and Gov-

ernment General Order noted in
the margin, the Right Hon'ble
the Governor General in Council
is pleased to direct the publica-
tion, for general information, of
the following extract from a Re-
solution in the Financial Department, No. 1031 of the 25th Febru-
ary 1864:—

Resolution, Financial Department, No. 27,
dated 7th April 1860.
Ditto, No. 31, dated 23rd April 1860
Government General Order, Military Depart-
ment, No. 710, dated 6th July 1860.
Resolution, Financial Department, No. 119,
dated 16th November 1860.

“RESOLUTION.—Valuable public services connected with the reduc-
tion of the Military expenditure and the re-organization of the Military
Accounts in conformity with the Budget system, have been performed
by the Military Finance Commission, subsequently called the Military
Finance Department; but the time has arrived when, as directed by the
Secretary of State, this Office must be placed in proper relation to the
Military Department.

“This is the head Office of the system of Army Accounts. The
estimates for the Military Expenditure of the whole of India are collected
here; and, after having been carefully revised, are submitted to the
Financial Department. The ordinary correspondence with the Military
Controllers, Paymasters, and other Officers connected with the Accounts
of the Army, passes through this Office; and the Officer in charge of it
assists the Government with his opinion upon every question relating to
Military Expenditure which may be referred to him. In the discharge
of these duties, the Head of the Office will, for the future, act in subor-
dination to the Military Department, and will be designated the “Ac-
countant General” to that Department. His relation to the Military
Department will be similar to that of the Accountant General to the
War Office at Home; but it will, for the present, be for the public ad-
vantage that the ablest and most experienced Military Officer available
should be selected for the duty, and that the Controllers and other Offi-
cers of Military Account in the three Presidencies should look to this
office as the highest prize of their Department.

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"The Accountant General will not be associated with the Auditor and Accountant General as a member of the "Board of Appropriation Audit;" and although, in common with the other Account Officers of the Government, he should render all the assistance in his power to the Financial Department, his ordinary official relation will be entirely with the Military Department.

"The subordinate establishments of Controllers, Accountants, Examiners, and Compilers in every part of India, will remain as at present. All appointments and promotions will be made by the Government in the Military Department; and it will be the duty of the Accountant General to advise in all matters relating to the conditions of appointment and promotion, so as to secure the highest practicable standard of qualification. No change should, of course, be made in the scale of expenditure, nor in any of the rules relating to the Accounts, without the previous sanction of the Financial Department."

With reference to the above Resolution, His Excellency the Governor General in Council is pleased to appoint Colonel A. Broome, of the Royal Artillery, to be Accountant General to the Military Department from the 1st April 1864, from which date the arrangements now notified will have effect.

Subsidiary orders with reference to the conduct of business will hereafter be issued.

Consequent on the changes rendered necessary by the foregoing Order, the following general rules are laid down for the guidance of the several Officers of Military Account and Audit in the three Presidencies.

2. The special and legitimate functions appertaining to the whole system of Military Account and Audit for India, heretofore exercised by the Chief of the Military Finance Department, are transferred to the Military Department of the Government of India, and these duties will in future be performed by the Accountant General as the Head of the Account Branch of that Department.

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3. Minor and personal details having special reference to the Bengal Military Establishment, which heretofore have been reported on by or through the Chief of the Military Finance Department, will now be reported on by the Controller of that Presidency, in direct communication with the Secretary to the Government of India in the Military Department.

4. The complete subordination of the whole Departmental system of Military Account and Audit to the Military Department of the Government of India; and placing the Controller of Military Accounts in Bengal on a footing analogous to that of the Controllers at the other Presidencies, are the main features of the new organization. The general principles on which the present system of Military Account is based, and the main duties of the several Officers, are shown in the following rules.

MILITARY DEPARTMENT, }
1st April 1864. }

H. W. NORMAN, Colonel,
Secy. to the Govt. of India.

RULES AND INSTRUCTIONS

FOR THE GUIDANCE OF ALL OFFICERS

OR MILITARY ACCOUNT AND AUDIT.

SECTION I.

SYSTEM OF MILITARY ACCOUNT.

1. The principles upon which the control, audit, and account of the Financial transactions of the Military Department are conducted, are, first, a strict preliminary scrutiny and review of the demands entered in the Estimates of the several Departments, as also, a careful examination into all demands for monies or stores, prior to supply; and, secondly, a stringent control over the due application of these monies and stores to the service for which they may be sanctioned: by means of a prompt concurrent check, and finally by an appropriation Audit.
2. It is now fully recognized that mere audit of expenditure without previous control, cannot give adequate security to Government for the correct appropriation of monies or stores. Under the present system, therefore, definite limits are previously assigned to the aggregate, as well as to the details of Military expenditure, whereby the check over expenditure is facilitated.
3. The efficiency of the service is at all times to be kept prominently in view, whilst the economical application of monies and stores is also enjoined, the one being quite compatible with the other; and these objects will best be ensured, by Heads of Departments bringing promptly to notice any departure, whether in excess or otherwise, from the Estimate, either as regards the expenditure in detail, or in the aggregate of the monies and stores sanctioned for each head of service, or for the whole Department, during the year.
4. The operations for reviewing and scrutinizing outlay, examining the demands, and enforcing the observance of the limits of aggregate

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and detailed expenditure, under its major and minor classifications, are confided—

- I. To the Disbursing and Issuing Officers, and the Examiners.
- II. To the Military Accountants, who are the dispensers of the funds allotted to the several Military Departments, for their prospective expenditure, and for accounting for the same.
- III. To the Controllers of Military Accounts.
- IV. And lastly, to the Account Branch of the Military Department of the Government of India, in which the proceedings of the above noted Officers of the three Presidencies will be reviewed, as the same are periodically submitted.

5. It is to be observed that the check over detailed payments of money, and issues of stores, is entrusted primarily to the Disbursing, and Issuing and Accounting Officers, and secondarily to the Examiners of the several Departments of the Army, subject to the close supervision of the Controllers of Military Accounts.

6. The Estimate is the basis of the Examiners' audit; and it is their duty to disallow any charge not provided for in the Estimate, so that no expenditure may be authorised, in excess of that allotted to the several services specified in the Estimate. The great end is, to combine the stringency of an immediate check, with a prompt rendering and satisfactory settlement of all claims and accounts; it being fully recognized that all delays in preferring claims, or in examining and disposing thereof, and paying the amounts passed, are injurious to the interests of Government.

7. The check upon the aggregate expenditure will be maintained by the Controllers,—1st, by a careful and intelligent scrutiny of the annual Military Estimates, containing a clear exhibition of all details, in a form approaching closely to the mode in which the expenditure will be incurred; 2ndly, by watching the application of the sanctioned grants, and observing the measures of the year which affect Military expenditure; and 3rdly, by reviewing the actual expenditure at the time it is incurred, and again at the end of the year, in close connection with the sanctioned Estimates.

8. Whilst on the one hand a careful scrutiny of the financial results of departmental administration is most essential, great care must be exercised that the limits of this duty are not overpassed, and a strict observance must be maintained of the broad distinction between financial

and administrative control. The latter is vested exclusively in the Heads of Departments in subordination to the executive control of Government, as exercised through the medium of the Secretary to Government in the Military Department, by whom alone all orders will be issued, or communications made to the several Heads of Departments on all points connected with executive administration.

SECTION II.

CONTROLLERS OF MILITARY ACCOUNTS.

1. With a view to enforce the principles above set forth, the respective Controllers of Military Accounts, acting under the general supervision of the Military Department of the Government of India, Account Branch, are charged with the following duties :—
 - I. To examine into all sources of Military expenditure, and control all permanent and contingent expenses, whether relating to monies, or materials, throughout India, including all territories under the direct control of the Government of India, but without interfering with the functions of the administrative Heads of Departments.
 - II. To check and examine the several annual Estimates of Military expenditure; propose modifications therein, and to submit the same in the manner hereinafter prescribed.
 - III. To represent to the proper Authority, and report to the Governments under which they are immediately serving, every instance in which reduction of expenditure, whether in money or stores, by any means of economy, may be practicable, consistently with efficiency.
 - IV. To provide for the effectual supervision over all accounts of Military expenditure, the verification of all balances of cash and stores, and, with the view of restricting the amount of cash in hand, or of Reserve Stock, to make such enquiries as may be necessary; also enforcing the due and timely adjustment of all advances and inefficient balances.
2. In furtherance of the above objects, it has been ruled that all proposals bearing on questions of Military expenditure, brought before the Supreme or Local Governments, in any other Department than the Military, and all proposals for expenditure on Military Public Works,

(other than ordinary repairs,) will be referred to the Military Department for opinion, before the final orders of the Government are taken thereon.

3. Also, that all special orders passed by the Governor General in Council in any Department other than the Military on emergency, will, if involving questions of Military expenditure, be forthwith communicated to the Military Department.

4. Should the Governments of the Presidencies of Madras and Bombay sanction any grant for Military expenditure, or authorise any expense not provided for by existing rules or regulations, or on which the Controllers of Military Accounts in such Presidencies may report unfavourably, it is provided that those Governments shall immediately report the same to the Government of India, Military Department, but the Controllers are likewise required to report the circumstance to the Accountant General, Military Department.

5. The Controllers will sift all the references made to them by the Officers of Account and Audit, so as to submit to Government only those which they cannot dispose of.

6. They will deal with all other references according to their knowledge of the orders or opinions of Government, or according to the rules and instructions herein prescribed; or, failing such knowledge, according to their judgment.

7. All questions of expenditure or accounting unprovided for in the Budget Estimates, or by the standing rules, will be referred to the Military Department of the Government of India, Account Branch.

8. All transactions affecting Military expenditure are subject to the cognizance of the Controllers of Military Accounts, in the Presidency concerned. It will also be the duty of the Controllers to bring to the notice of the Military Department of the Government of India, Account Branch, every transaction affecting their special duties, and to furnish the Office in charge of that branch with the fullest information bearing thereon.

9. The Controllers are empowered to call on the several Military Departments for whatever information may be requisite, to enable them to examine into any particular expenditure, and report on the subject to Government.

10. The Controllers will, during the year, report to their respective Governments on all proposals as they arise for increase of ex-

penditure, whether affecting the administrative business of departments or executive establishments, and will at the same time keep the Military Department of the Government of India, Account Branch, fully and timely informed in respect to the rendering of accounts, the progress of the examination of the Military expenditure, and the amount thereof.

11. The Controllers will see to the timely sending in of all departmental requisitions for cash or stores, and to the due preparation, by the Military Accountants, of the annual and monthly Estimates of cash requirements; as also to the timely transmission of the Monthly Estimates of cash requirements, to the Civil Financial Officers of the several Governments. The duty of examining the Cash Estimates, so as to ascertain that they are for sanctioned services, and in the form authorized, is here strongly enjoined on the Controllers and Military Accountants. The Controllers will also take care, by reviewing the sums previously disbursed, to guard against the expenditure under any subsidiary head progressing at an unnecessarily high rate, or a rate likely to exhaust the grant for that service before the expiration of the year. They will enforce the regular and prompt transmission of the monthly and other periodical Statements of expenditure, and of all Letters of Credit for grants of money; and will also take care that compiled Statements in the established form, of the sums actually drawn and expended, are duly transmitted for the information of the Military Secretary to the Government of India, Account Branch.

12. The Periodical Financial Statements required to be submitted to the Military Department of the Government of India, Account Branch, by the Controller of each Presidency, are—

- I. Monthly Statement of audited, passed, and classified expenditure.
- II. Monthly Statement of Receipts and unaudited Disbursements.
- III. Monthly Statement of Increase and Decrease of Outstanding Balances.
- IV. State of audit of Accounts in the several Examiners' Offices.
- V. Quarterly Statement of Receipts and unaudited Disbursements.
- VI. Annual Statements of Receipts and unaudited Disbursements.
- VII. Annual Statement of Quick and Dead Stock.
- VIII. Annual Report on the Appropriation Audit.
- IX. Abstract of the Annual General Books.

Particular attention is required to the careful preparation and timely transmission of Statements Nos. I, II, and III, as they will constitute the basis of a general account to be posted up monthly in the Office of the Accountant General, and which will exhibit in a condensed form the progress of expenditure throughout the year, under the different heads of the Annual Budget Estimate. At the close of the year this general account will afford ready means of comparing the actual operations with the Budget Estimate, under its various Divisions and Sub-Divisions.

13. The Controllers will examine and report upon the Monthly Returns of the Effective Strength of Her Majesty's British Forces in their respective Presidencies, which will be forwarded to them by the Officers Commanding Regiments. These reports are required to be promptly transmitted to the Home Authorities as the basis of calculation of the capitation charges payable by the Government of India, and they should be submitted, without delay, to their respective Governments in the Military Department. Particular attention is called to the prompt discharge of this duty by the Controllers, which is one of great importance.

14. As a general rule, it is advisable that the Controllers should be the channel through which all communications from the subordinate Officers of Audit and Account, to their respective Governments, should pass. The Controllers are in a position to prevent improper references being made, and to them all controverted points should be referred; they being best able to place affairs before the Government in a proper light.

15. The Controllers will forward to the Military Department of the Government of India, Account Branch, copies of all rules and instructions which they may issue; but in introducing any changes of system, draft of their instructions for giving effect to such changes, must be submitted for approval. Copies of the departmental orders issued by the Controller at each Presidency will also be sent to the Controllers of the other Presidencies for information.

16. Each Controller will examine and control all the Offices of Examination, Account, Disbursement, or Issue, within his range, so as to ensure the due and regular performance of their duties by the Examiners and other Officers; inspecting all such Offices personally, when practicable, or otherwise causing them to be inspected, and calling for such information regarding the accounts as he may deem necessary.

17. In the Bengal Presidency, the Controller will register in his Office all admissions to the Pension Establishment; and regulate the transfer of Pensioners from one Circle to another.

18. Whenever any of the Controllers enjoin the periodical submission of a new Return or Statement, he will prescribe a form for it.

SECTION III. MILITARY ACCOUNTANT.

1. The Military Accountants are, as the name implies, the Accountants of Government for the Military service in their respective Presidencies. They stand in the position of debtors to the Government, and creditors to the receiving Officers, of all cash and stores supplied to the various Officers and Departments of the Army. On the Military Accountants rest the immediate and direct responsibility for the due rendering of all Accounts, Returns, and Statements connected with Military expenditure, and for fixing, in communication with the Controllers, the dates on which each Account is to be rendered. As the Military Accountants' Offices are the centres within which all Financial affairs flow, it is essential that these Officers should enforce with stringency the exact and regular rendering of every Account and Report: ever bearing in mind that neglect on the part of any other Officer must not be pleaded as an excuse for failure in their own duties. On these responsibilities is imposed the duty of enforcing with regularity and punctuality the prompt transmission of the documents necessary for their Office duties; first, by direct appeals to the Officers concerned, and, in the event of such being disregarded, by representations to the Controllers.
2. The Military Accountants have immediate charge of the compilation of the annual and monthly Departmental Estimates of cash requirements, and will alone, under the supervision of the respective Controllers, grant Letters of Credit on Mofussil Civil Treasuries, or obtain from the Accountants General Letters of Credit from the Presidency Bank, and require the regular and exact return of these documents, on the credit being drawn upon and closed, at the end of the month.
3. All Invoices of stores from England or the Colonies, and all Valuation Statements, will be sent to the Military Accountants. It will then be their duty to furnish extracts from Invoices and lists of stores, to the Departments for which the stores are intended, and by which they will be accounted for; first, giving a general credit for the whole in the Military General Books, under the head "Account Current with London," or whatever may be the Government, Colony, or Department furnishing the stores. It will then be within the power of the Military

Accountants to compare the totals of the credits made in the several Departments, with the total debit made in the Military General Books, when crediting "Account Current with London," or the account of the Government or Colony concerned. The general verification, or comparison, of Departmental debits and credits for all monies or stores received or issued departmentally, is a point of vital consequence, and should be strictly attended to in the Military Accountants' Offices. This verification should also be extended to the debits and credits between Presidencies.

4. The Military Accountants are responsible, therefore, for accounting for all monies or stores obtained for the Military service. It is also the duty of the Military Accountants to debit against all receiving Officers, every item of money, and the value of all stores passing through their hands: only granting an acquittance for the same, and freeing the Officers concerned, from responsibility, either on repayment of the money or on the admission of the account of the expenditure, whether of money or stores; or on Government authority for writing off the amount or value to profit and loss being obtained.

5. The Military Accountants will, in the right fulfilment of their heavy responsibilities, inquire, whenever they see fit, into the state of all accounts, and enforce the settlement of balances standing against individuals or departments. They will also see that all recoveries from individuals are promptly effected; that credits for all refunds, stoppages, and other receipts are duly afforded; and that deposits of Contractors are properly brought to account.

6. The Military Accountants will moreover take care that outstandings are not permitted to remain unsettled, that advances are not taken up on emergency without due necessity, and that balances against Officers are promptly adjusted.

7. The Military Accountants alone will grant final certificates of "No-demands;" and will be responsible that all demands against Officers who become casualties, and those who are about to leave India, are strictly enforced. It will also be the duty of the Military Accountants to ascertain, and, by prompt and judicious measures, to enforce the settlement of the numerous and varied claims that constantly arise in the Military Department against Officers and Regiments; and whatever agency may be employed for that purpose,—whether Military Pay Masters, Commissariat Officers, or Officers in charge of Civil Treasuries,—the Military Accountants are still responsible for all claims of this nature

being settled correctly and expeditiously, so as to prevent Officers and Corps leaving India, from being subjected to unnecessary delays and anxieties.

8. If the accounts and audits in any one department, the statements of debits and credits between Departments or Presidencies, or the compilations of expenditure, should fall in arrears, the Military Accountants will report the same to the Controllers, after having endeavoured, by repeated warnings to the Officers concerned, to correct the irregularity: and as the existence of arrears is a grave evil; this duty must be performed without hesitation or delay.

9. The Military Accountants are further responsible that Statements of all demands against the British and Colonial Governments are promptly forwarded, accompanied by the proper vouchers, by the Officers entrusted with the duty of accounting.

10. The Military Accountants are also charged with the duty of forwarding, for transmission to the Authorities at Home, the Remittance Rolls of Privilege Remittances of Officers and men, and Savings Banks' Accounts, in the forms prescribed.

11. The Military Accountants will prepare all the periodical Accounts, showing (monthly, quarterly, and annually) the receipts and disbursements of the various Departments. It will be their duty to journalise the receipts and expenditure from the Accounts Current of Disbursing Officers, and to arrange and examine the expenditure in suitable abstracts, classifying it under the various heads of service recorded in the Budget Estimate, by the aid of the compilations that will be supplied to them by the Compilers of Military expenditure.

12. The Military Accountant at each Presidency will furnish the following periodical Statements and Accounts to the Civil Financial Officers:—

- I. Monthly Statements of Receipts and unaudited Disbursements.
- II. Quarterly ditto ditto.
- III. Annual ditto ditto.
- IV. Monthly Statement of Cash Balances in the hands of Disbursing Officers.
- V. Monthly Statement of Assessment, Collection, and Refund of Income Tax by Disbursing Officers of the Military Department.
- VI. Annual General Books, Journal, and Ledger.

SECTION IV.

EXAMINERS.

1. All the duties connected with the check of expenditure in detail will be performed by the Examiners of the Pay, Commissariat, Ordnance, Stud, Barrack, Clothing, and Medical Departments.

2. Separate Office Establishments will be allowed to all the Examiners.

3. Every Examiner will, in communication with the Controller, fix the dates on which each Account and Statement must reach his Office, and enforce with strictness the exact and regular transmission of all Accounts and Statements; also carefully and promptly scrutinizing all the accounts rendered by Disbursing Officers.

4. Each Examiner will regulate his audit strictly by the established rules, having no discretionary power to relax them; and will, in communication with the Controller, define, in set rules, the various processes to be followed in the course of examination, and the specific duties which each sub-Auditor and each Accountant will have to perform. In cases of doubt, the Examiner will refer to the Controller of Military Accounts; but in all other cases, will act as an independent Examiner, exercising duties and responsibilities quite distinct from those of the Controller. It is, however, distinctly to be understood, that, appeals or references on any question involving the passing of a charge, may be made to the Controller, and through him to the Government if deemed necessary.

5. The Examiners are required to retrench any charge not duly authorized, not properly supported by proper vouchers, or which requires further explanation; and are authorised also to guide Disbursing Officers in doubtful cases, which may be referred for their orders: but all such cases should be reported to the Controllers.

6. All Examiners are required to forward monthly Statements to the Controllers, exhibiting the date of the receipt of the several Accounts, and the date of the audit thereof; these Statements being invariably submitted not later than on the last working day of the week following that in which the Accounts ought to have been received.

7. The foregoing rules apply to the Examiners in all Departments; but those concerned in auditing charges for stores and expenditure, and receipts of stores or supplies, and in checking store accounts, have additional duties imposed on them.

8. Errors in calculation, or in accounting, must be corrected, rates checked by comparing them with Price Currents, and these latter again checked by comparison with prices in other neighbouring places.

9. The quantity of stores or supplies expended must be checked, both with respect to economy of consumption, and to the limitations imposed on expenditure by the Budget Estimate.

10. All Examiners, whether of stores, money, or scales of diet, must consider it an important duty to check effectually, within their proper line of duty, as defined, all inefficient balances, either of money or stores, as well as all excesses in Stock Reserves, or allotments. These must be promptly reported, accompanied by an explanatory memorandum of the measures adopted to correct defects, to the Controller, who will adopt decided measures for enforcing the settlement and right disposal of outstandings in communication with the Military Accountant.

11. All new contracts in the Commissariat Department must be scrutinized by the Examiner of Commissariat Accounts, and the contract prices subjected to the same tests as those above prescribed, besides being compared with the rates actually paid, previously, or contemporaneously, for like supplies. A report on all these points, showing the length of time for which the contract is to run, must be submitted to the Controller, on the conclusion of every fresh contract; and a like report will be submitted to him, quarterly, on the economy with which direct purchases are effected by the Department, at the several Army Stations, or in the several ranges.

12. In applying the preceding rules, the Examiners of the several Departments may call for an explanation of any unusual charge, or of anything questionable that appears on the face of the Accounts. If necessary, the Examiners will consult the Controllers of Military Accounts, and this should be done in all cases where the inquiries to be made would affect the acts of the Departmental Executive Officers. In such cases, the inquiries should proceed through the Controllers.

13. As a general rule, Examiners are not to correspond direct with the Military Accountant, except in notifying the sums passed to credit of Pay Masters. All other communications, intended eventually for the Military Accountant, will be addressed to the Controller. The Examiners will also, as far as possible, avoid engaging in controversial discussions, which can always be done by placing the question before the Controllers,

who from their position are better able to prevent the unpleasant references which so frequently arise out of money questions and Audits.

14. The Pay Examiners, after audit of the Disbursement Statements, will send all the relative vouchers to the Compilers of Military Expenditure with an authenticated Audit encasement on each voucher, of the amount passed on it. They will also transmit to the Military Accountants, through the Compilers, Statements of the total sums passed to each Pay Master's credit, on the weekly Disbursement Statements; and will send like intimations to the Pay Masters, accompanied by Statements of sums retrenched, as also of those allowed as short-drawn, in the weekly Statements.

15. The Examiners of Ordnance and Medical Accounts have the peculiar duty of re-examining vouchers already examined and passed by the Examiner of Commissariat Accounts. In such cases they will proceed as follows:—

I. In examining the Bills, Indents, &c., for contingent charges and extra establishments, they will see, 1st, that the vouchers are duly supported by adequate authority; 2ndly, that they are consistent with existing regulations; and 3rdly, that they are within the Departmental Estimate.

II. The disbursements of cash authorized by the Inspector General of Ordnance and Director General, Medical Department, will be made through the Pay Department, either on contingent bills, or as advances; no Letter of Credit on the Civil Treasury being granted to either of these Officers.

SECTION V.

DISBURSING OFFICERS.

1. Disbursing Officers will submit their Cash Accounts to the Military Accountants, and their Disbursement Statements to the Examiners of the Departments to which they respectively belong; at such periods during the month, as may be prescribed by the Controllers.

2. They are also responsible for submitting their monthly Estimate for cash requirements, punctually on the prescribed dates, and strictly in the prescribed forms.

3. In the event of services suddenly arising, for which disbursing Officers have no funds available from the Letters of Credit granted to

them on their monthly estimates, the Civil Treasuries will disburse the requisite funds under the orders of the Officer Commanding the Station, who shall first satisfy himself of the propriety of the advance applied for. The disbursement so ordered will be at once reported to the Head of the Department concerned by the Officer authorizing the advance, as well as by the Officer receiving the monies. Monies so advanced will be passed to the debit of the Military Department by the Officer making the advance, as if they had been drawn on Letters of Credit.

4. Disbursing Officers will examine carefully into all claims and all items of expenditure, before paying monies; remembering that the present system does not in any way affect their ultimate responsibility, in the event of monies proving irrecoverable from parties to whom payment has erroneously been made.

5. Disbursing Officers who may be concerned with Army supplies, or in paying for extra establishments and contingencies, are further required to check ill-considered demands; but in such case the check should consist in pointing out the error, and throwing the responsibility on the Officer who may persist in the order for the supply, after the error or injudiciousness of the demand may have been pointed out to him. The Disbursing Officer will report these cases to the Controller of Military Accounts, as also to the Examiner of his Department.

SECTION VI.

COMPILERS.

1. All payments charged in the Disbursement Statements of Divisional Pay Masters and Pension Pay Masters, will be compiled by the Compiler of Military expenditure at each Presidency. It will be the primary duty of the Compilers of Military Expenditure to require the prompt and regular audit and examination of all Accounts, Statements, and Returns; and these Officers will obtain from the Pay Examiners, under orders from the Controller, a Statement showing the dates on which these documents are to be sent to them for classification and compilation. The dates on which each Disbursing Officer's Accounts are to be completed, will be determined by the Controller; and attention thereto enforced by the Compiler of Military expenditure, by representation to the Controller when necessary. Delay on the part of other Officers can-

not be admitted as any ground for delay in the performance of the duties of the Compilers.

2. The expenditure of money and stores in the Commissariat, Ordnance, Stud, Clothing, Medical, and Barrack Departments will be compiled by the respective Examiners of those Departments, who in this respect will discharge the duty of Compilers, in addition to that of Examiners.

3. The several compilations will be made, strictly in forms prescribed and under the sanctioned heads of Service, Chapters, Sections, and Articles of the Estimate, and the Compilers will be prepared, by means of subsidiary Books, to exhibit clearly the various charges which may be blended under one general head.

4. The several Compilers will further keep up such statistics relating to Army expenditure, as may be prescribed by the Controller.

SECTION VII.

ANNUAL BUDGET ESTIMATES AND INDENTS.

1. The following course will be observed in submitting the annual Estimates and Indents for Europe stores:—

ESTIMATES.

2. The Annual Budget Estimates will be submitted by the respective Heads of Departments to the Controllers of Military Accounts at the several Presidencies not later than the 1st November of each year in the Bengal Presidency, and the 15th of November in the Presidencies of Madras and Bombay.

3. The Controller of Military Accounts in the Bengal Presidency will examine, consolidate, and submit the detailed Departmental Estimates of Military expenditure to the Military Department of the Government of India, Account Branch, by the 31st January of each year.

4. In the Madras and Bombay Presidencies, the Controllers will examine, consolidate, and submit the like Estimates to the Local Governments on the 1st January of each year, for eventual transmission to the Military Department of the Government of India. The Controllers will, at the same time, forward copies of the Estimates to the Accountant General to the Military Department of the Government of India.

them on their monthly estimates, the Civil Treasuries will disburse the requisite funds under the orders of the Officer Commanding the Station, who shall first satisfy himself of the propriety of the advance applied for. The disbursement so ordered will be at once reported to the Head of the Department concerned by the Officer authorizing the advance, as well as by the Officer receiving the monies. Monies so advanced will be passed to the debit of the Military Department by the Officer making the advance, as if they had been drawn on Letters of Credit.

4. Disbursing Officers will examine carefully into all claims and all items of expenditure, before paying monies; remembering that the present system does not in any way affect their ultimate responsibility, in the event of monies proving irrecoverable from parties to whom payment has erroneously been made.

5. Disbursing Officers who may be concerned with Army supplies, or in paying for extra establishments and contingencies, are further required to check ill-considered demands; but in such case the check should consist in pointing out the error, and throwing the responsibility on the Officer who may persist in the order for the supply, after the error or injudiciousness of the demand may have been pointed out to him. The Disbursing Officer will report these cases to the Controller of Military Accounts, as also to the Examiner of his Department.

SECTION VI.

COMPILERS.

1. All payments charged in the Disbursement Statements of Divisional Pay Masters and Pension Pay Masters, will be compiled by the Compiler of Military expenditure at each Presidency. It will be the primary duty of the Compilers of Military Expenditure to require the prompt and regular audit and examination of all Accounts, Statements, and Returns; and these Officers will obtain from the Pay Examiners, under orders from the Controller, a Statement showing the dates on which these documents are to be sent to them for classification and compilation. The dates on which each Disbursing Officer's Accounts are to be completed, will be determined by the Controller; and attention thereto enforced by the Compiler of Military expenditure, by representation to the Controller when necessary. Delay on the part of other Officers can-

not be admitted as any ground for delay in the performance of the duties of the Compilers.

2. The expenditure of money and stores in the Commissariat, Ordnance, Stud, Clothing, Medical, and Barrack Departments will be compiled by the respective Examiners of those Departments, who in this respect will discharge the duty of Compilers, in addition to that of Examiners.

3. The several compilations will be made, strictly in forms prescribed and under the sanctioned heads of Service, Chapters, Sections, and Articles of the Estimate, and the Compilers will be prepared, by means of subsidiary Books, to exhibit clearly the various charges which may be blended under one general head.

4. The several Compilers will further keep up such statistics relating to Army expenditure, as may be prescribed by the Controller.

SECTION VII.

ANNUAL BUDGET ESTIMATES AND INDENTS.

1. The following course will be observed in submitting the annual Estimates and Indents for Europe stores:—

ESTIMATES.

2. The Annual Budget Estimates will be submitted by the respective Heads of Departments to the Controllers of Military Accounts at the several Presidencies not later than the 1st November of each year in the Bengal Presidency, and the 15th of November in the Presidencies of Madras and Bombay.

3. The Controller of Military Accounts in the Bengal Presidency will examine, consolidate, and submit the detailed Departmental Estimates of Military expenditure to the Military Department of the Government of India, Account Branch, by the 31st January of each year.

4. In the Madras and Bombay Presidencies, the Controllers will examine, consolidate, and submit the like Estimates to the Local Governments on the 1st January of each year, for eventual transmission to the Military Department of the Government of India. The Controllers will, at the same time, forward copies of the Estimates to the Accountant General to the Military Department of the Government of India.

5. In submitting the Estimates, the Controllers of Military Accounts will scrutinise both the details and the general results of the Military expenditure proposed for the year, passing in review all the fixed Establishments in every Department, and applying to the charges not fixed, including those for stores, Army supplies, and contingencies, every possible test for determining whether the Estimate provides for these services being administered with due economy.

6. The Estimates of the three Presidencies as consolidated and submitted by respective Controllers, will be again consolidated into one Budget Estimate of Military expenditure, for all India, by the Accountant General to the Military Department of the Government of India, for eventual transmission to the Financial Department.

7. Besides the Budget Estimate, the following Annual Estimates will also be required :—

I. Annual Cash Requirement Estimate so as to reach the Military Department of the Government of India by the 31st January.

II. Annual Regular Estimate so as to reach the Military Department of the Government of India by the 1st January.

INDENTS.

8. The annual Indents for stores from England will be prepared by the respective Heads of Departments, and submitted to the Controller of Military Accounts at each Presidency, by whom they will be carefully reviewed and submitted, in Bengal to the Military Department of the Government of India, Account Branch, and in Madras and Bombay to the Military Secretaries to those Governments, for immediate transmission to the Home Authorities. Copies of the Indents transmitted from Madras and Bombay will be forwarded to the Military Secretary to the Government of India, who will eventually forward them, after examination in the Account Branch, to the Financial Secretary to the Government of India.

SECTION VII.

APPEALS AND COMPLAINTS.

1. The following course of procedure should be observed in reference to appeals and complaints :—

2. Any Officer or individual who objects to a disallowance made by a Disbursing Officer, will appeal through him to the Examiner ; and the Disbursing Officer is bound to forward the appeal.

3. Appeals from the decisions of Examiners will, in like manner, be made through them to the Controllers of Military Accounts ; and if the decision be considered by the appellants as not conclusive, the Controllers will forward any further representation for the decision of the Government of India or local Governments, as the case may be.

4. No Officer is allowed to make a direct reference to the Adjutant General unless the Examiner shall have refused to forward his appeal. Under any view, the right of appeal to Government is open to all Officers ; it being, however, distinctly laid down, that all unnecessary appeals or references to Government are to be avoided.

5. If the Controller decide in favour of the appellant, without the Examiner being convinced of error, the latter will clearly and succinctly re-state the case, and the grounds of dissent, to the Controller, who will then refer the question for the decision of Government, in the Military Department.

6. All appeals other than those mentioned in paras. 2 and 3, above, whether personal or written, are to be made to the Controllers, as also all complaints in respect to delays in auditing or examining Accounts, whether of stores or monies. The Controllers will investigate them, and see to their settlement. Appeals must invariably pass through the stages above prescribed ; if any be omitted, the receiving Officer will return the appeal, for correction of the irregularity.

MM 3596/14

MILITARY DEPARTMENT.
PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following letter :—

From the Officiating Secretary to the Government of India, Military Department, Fort William,
2nd August 1864, No. 35; to the Secretary to Government, Military Department, Fort Saint
George.

In compliance with the request conveyed in your letter, No. 2539, and tele-
gram, dated respectively the 23rd and 28th ultimo, I am directed to transmit to you
the accompanying forty-six copies of the Rules and Regulations for the guidance of
all Officers of Military Account and Audit, for the completion of the distribution
prescribed, and for issue to the Civil Departments and Secretariats.

ORDER, No. 2778, 12th August 1864.

Ordered that 36 copies of the Rules be forwarded to the Adjutant General's
Department, with reference to Proceedings of Government, 23rd July 1864,
No. 2538, and the remaining 10 copies distributed as follows :—

Public, Financial, and Judicial Departments	3 Copies.
Revenue Department	2 do.
Public Works Department	2 do.
Military Department	3 do.

(True Extract.)

Minors
Secretary to Government.

To the Adjutant Genl., with 36 copies of Rules.
.. Pub. Ac. Depts. 3 do.
.. Revenue Dept. 2 do.
.. Pub. Works Dept. 2 do.

Ext. R. Stephenson.

10. True Copy

Chapman
19th Aug 7/64

Recorded

Vol 2386

Ms 404, 4405

John 1861 Oct
No. of State for August
No 2386

Proceedings of South

Military Dept

Patent 12th
Spec 1843 August 1861

Vol 2386 - 19th Aug 7/64

Transmitting to

Copy of the Rules & Regulations
received from the War Office
Honor, from the President
of the Office of the President
and Clerk.

Recorded