

(1) Number of pages 18

(2) Date of repair 22-10-62

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.

Government of Madras.

Public Works **DEPARTMENT.**

G.O. No. 3480	Press
98-97	Mis.
Dated 5-12-	1864.

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*Proceedings of the Madras Government, Public Works Department,
11th December 1864.*

No. 96. Read the following letter from Captain J. MULLINS, R. E., Consulting Engineer for Irrigation and Canal Company, to Colonel C. A. ORR, R. E., Secretary to Government, Department Public Works, dated Madras, 14th November 1864, No. 143:—

SIR,

1. I have the honor to submit, for the sanction of Government, the accompanying Account Current of the Company's Stores for the quarter ending 31st July 1863.

2. This Account Current, with the detailed Statements L and M, was received from the Agent on the 24th August, my Memorandum of audit thereon, was sent to him on the 9th September, and his reply thereto was received on the 1st November; but on the 3rd of this month, I had to return the Account Current again to the Agent for corrections, which had not been made as required. The revised Account Current was received only on the 12th instant.

3. During the quarter, the value of stores received from England was Rupees 1,119-4-9, the cost of those purchased in India was Rupees 17,233-15-1, and the value of articles manufactured in the Company's Workshops, Rupees 34,248-0-2. These three sums amount in the aggregate to Rupees 52,601-4-0, which added to Rupees 43,029-2-3, being the value of the articles issued and removed from the previous accounts, but returned into the stores during the quarter, together with Rupees 3,74,300-6-10, the stock on hand on the first day of the quarter, makes the total value of the stores Rupees 4,69,930-12-10. The issues during the quarter were to the value of Rupees 81,636-13-2, leaving the stock on hand on the last day of the quarter Rupees 3,88,243-15-8.

4. The supplies from England consisted of Medical drugs and Photographic apparatus, and were procured on the indents sanctioned in the Government Order No. 1,128 of the 23rd May 1862. The purchases in India were made on the indents sanctioned by this office, under the authority conveyed in the Government Order No. 211 of the 24th January 1863. The stores manufactured were made without the previous sanction of this Office, though specific and clear instructions on the subject were furnished to the Agent in General Ludlow's letter No. 337 of the 2nd March 1863, referred to in paragraph 4 of my letter No. 54, dated 29th July 1864. With regard to this omission, the Agent's only explanation is, that the "articles were made on various sanctioned estimates for works," but this Statement I find is not consistent with the entries in the Store Accounts, from which it will be observed, that the stores manufactured, consist partly of

	RS.	A.	P.
* Tools...	7,403	14	4.
Miscellaneous...	26,829	1	10
Mathematical instruments...	15	0	0
Total...	34,248	0	2

working tools,* &c., which were made for laying in stock to meet future demands, and partly of articles made for particular sanctioned works. In the former case, the instructions referred to above clearly shew, that the Agent should have obtained the previous sanction of this Office

before the articles were made; and in the latter case, the articles should not have been brought at all on the Store returns, but debited in the Manufacture Account Current R to the several works for which they were required. Such deviations from the rules cause unnecessary correspondence and great confusion and difficulty, both in the preparation and examination of the accounts, and moreover, if the stores manufactured by the Company's Officers for laying in stock, be made without the previous sanction of this office, and not dealt with in the accounts as in the case of stores, purchased in the market, it becomes impracticable to check or control the expenditure on stores, as required by Government.

5. With regard to the stores returned, Rupees 43,029-2-0, and again brought into the General Store Returns, I find this arrangement was objected to, the first time it appeared in the

† No. 209, dated 6th September 1864.

accounts, as tending to create confusion, and on the present occasion I wrote† to the Agent,

Pointing out that the Rules provided for all the transactions connected with stores, and that no change of practice should be allowed, without clear explanation of the advantages to be derived therefrom. Stores once issued to works should not come back into Store, but, when no longer required for such works, they should be transferred to other works which require them. I have not yet had a reply from the Agent to my letter on this subject.

...value of the articles issued...

*Proceedings of the Madras Government, Public Works Department,
5th December 1864.*

6. The detailed Accounts L and M have been duly audited and examined in this Office. An abstract of these accounts, shewing the value of the several articles received and issued under each main head, is given below :—

ARTICLES.	Remaining on the 30th April 1863.	Received from England from 1st May to 31st July 1863.	Purchased in India from 1st May to 31st July 1863.	Manufactured in India from 1st May to 31st July 1863.	Store issued in the previous quarters and now returned into store.	Total receipt.			Issued from 1st May to 31st July 1863.			Balance on the 31st July 1863.		
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Mathematical instruments ...	13,060 11 3	...	162 0 0	15 0 0	12,562 8 0	25,800 3 3	1,735 14 6	24,064 4 9	...	...	...	...	...	...
Drawing do. and materials ...	10,506 8 9	...	267 9 10	...	678 1 8	11,452 4 3	1,716 5 3	9,735 15 0	...	...	...	...	...	...
Tools...	1,11,428 12 0	...	5,419 14 0	7,403 14 4	11,633 5 1	1,35,885 13 5	27,429 12 1	1,08,456 1 4	...	...	...	...	...	...
Machinery ...	40,521 15 11	...	...	...	4,381 12 7	44,903 12 6	3,810 6 4	41,093 6 2	...	...	...	...	...	...
Boats ...	1,668 6 3	...	...	...	...	1,668 6 3	...	1,668 6 3	...	...	...	...	...	...
Miscellaneous ...	1,96,186 8 4	137 11 4	11,372 11 9	26,829 1 10	13,747 14 3	2,48,273 15 6	46,416 4 6	2,01,857 11 0	...	...	...	...	...	...
Medical and Surgical instruments and appurtenances ...	927 8 4	981 9 5	11 11 6	...	25 8 5	1,946 5 8	578 2 6	1,368 3 2	...	...	...	...	...	...
Total...	3,74,300 6 10	1,119 4 9	17,233 15 1	34,248 0 2	43,029 2 0	4,69,930 12 10	81,686 13 2	3,88,243 15 8	...	...	...	...	...	...

*Proceedings of the Madras Government, Public Works Department,
5th December 1864.*

7. The value of stores issued, Rupees 81,686-13-2, is debited to the following heads :—

	Rs.	A.	P.
General management	3,483	15	5
Construction	24,081	15	3
Manufacture of stores	6,575	6	10
General plant on works	45,726	0	10
Store charges	704	15	8
Stores sold and recoverable in cash	1,085	5	6
Stores damaged	29	1	8

Total ... 81,686 13 2

8. The articles noted in the margin were made up in the Company's Workshops without preliminary sanction. The Agent states that they were intended for general purposes, and therefore regular indents should have been prepared. Most of them appear to be of a description not adapted for transport and should therefore have been made up at the spot when required.

	Rs.	A.	P.
Benches, Carpenters	320	0	0
Do. Smiths	52	1	2
Do. Standing vice	23	4	5
Do. Joiners	50	0	0
Pankahs 80 x 20	100	0	0
Do. over lathe	42	9	9
Trucks for store	1,000	0	0

9. As it appeared that the articles noted in the margin were made for particular sanctioned works, and as, in that case, they should not have been brought on the Store Account, but, as stated already debited, at once to construction in the Manufacture Account Current R against the respective works, the Agent was requested to arrange for the preparation of his future accounts accordingly, but in reply he states that "although they were manufactured for particular sanctioned works, yet they must be brought in "the Store Accounts, except that of any works done for sanctioned works." I do not understand what this is intended to mean, but either they should have been made on sanctioned indents or debited to Works and not to Stores.

10. The sums charged for in the Cash Accounts from May to July 1863, on account of the contingencies of the Agent's and Chief Engineer's Office, were Rupees 1,128-3-10, which added to the value of stationery, &c., used and charged for in the Store Accounts for the same period, viz., Rupees 3,500-6-2, makes the total contingent expenses of the Agent's and Chief Engineer's Office Rupees 4,628-10-0 or Rupees 1,543 per month. The Agent, however, explains that the adjustment of certain items left under suspense in the Chief Engineer's Department, was the cause of this large apparent expenditure.

11. A boat with two anchors is shewn in these accounts as manufactured at a cost of Rupees 800. No sanction was applied for, and the Agent states, that a reference has been made to the Chief Engineer for information.

12. The Agent has not carried out the arrangement with regard to Medical Stores, which was prescribed in paragraph 4 of the Order of Government No. 823 of the 1st April 1863, and in the Quarterly Abstract P, part of these Stores appear under the head of Inefficient Balance, and part under balance of stores in hand, and this tends to confuse the accounts greatly. Nothing could have been more easy than the plan prescribed.

13. The attention of the Agent was called to the very unnecessary length of time that certain stores had continued to be shewn as "in transit," and as it seemed unlikely that some of these would ever be accounted for, it was requested that such should be noted on the list, with a view to their value being written off to profit and loss, if lost through no carelessness on the part of any servants of the Company. Explanation also was requested, as to what steps had been taken to obtain information as to the causes which had kept some of the stores so long out of the permanent accounts, and in reply the Agent only states that "steps have been taken to adjust this sum."

Proceedings of the Madras Government, Public Works Department,
5th December 1864.

14. Statement N, shewing the particulars of the balance of stores in hand, has not yet been received.

15. Up to the 31st July 1863, the expenditure on account of Store charges was Rupees 1,31,211, or 22.6 per cent. on Rupees 5,74,500, the total expenditure on stores. It appears also, that up to the same date, stores of the value of Rupees 6,872-7-2 were sold to private persons, and as no distribution of store charge had been made, these Stores sold were not debited with their share of the charges, and consequently about Rupees 1,580, which should have been borne by them, will have to be debited to other store in excess of their fair proportion. This was pointed out to the Agent, who in reply states, that he does not see how the Company can be said to have lost Rupees 1,580, because the stores sold were made in the Workshop, but this really makes no difference, for every thing used in the Workshop, whether tools or materials, has to bear its share of Store charges.

16. Rule XLVI requires that the depreciation of general plant used on works shall be ascertained, and the amount credited to the value of the plant, as exhibited in the accounts, and form S, is the account to exhibit this adjustment. Hitherto no depreciation has been taken into account, and, on the 9th September last, the Agent's attention was called to this point, and it was remarked that delay would not render it more easy, and that ere long the commencement of distribution and other works to which such plant would be transferred would make it much more difficult. The Agent in a letter of the 16th September states, that he has written to the Chief Engineer, begging him to carry out the provisions of Rule 46, and I hope therefore that something will be done in the accounts now under preparation towards the adjustment of this particular charge.

No. 97. ORDER THEREON, 5th December 1864, No. 3,480.

1. The Government pass the Account Current of the Irrigation and Canal Company's Stores for the quarter ended 31st July 1863.

2. The particular attention of the Manager will be requested to paragraphs 4, 8, 9, and 12 of the Consulting Engineer's letter, and he will be reminded of the necessity for strict conformity to the Rules.

3. The Manager's reply to the reference made to him by the Consulting Engineer regarding the exhibition in the Accounts of Stores returned, should be submitted to Government, when received.

Rs.	A.	P.
3,88,243	15	8
3,74,300	6	10
13,943	8	10

4. From the Statement appended to paragraph 6, it is observed that the value of stock on hand on the 31st July 1863 was Rs. 3,88,243-15-8, or Rupees 13,943-8-10 in excess of the balance in the previous quarter.

5. In submitting the next Account Current, Captain Mullins will be good enough to report whether the charges adverted to in paragraphs 13 and 16 have been adjusted.

6. The Consulting Engineer's remarks relative to the distribution of Store charges proportionately over all Stores manufactured in the Company's Workshops are correct.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To the Consulting Engineer, Irrigation and Canal Company.

„ Manager for do. do.

Exd. S. T. Augustin.

Consulting Engineer's Office,
Irrigation and Canal Company,
Madras, 14 November 64.

N. 143.
To, Captain J. Mullins R.E.
Care of J. & C. Co.
The Secretary to Government
Department of Public Works.

1. I have the honor to submit for the sanction of Government the accompanying Account Current of the Company's Stores for the quarter ending 31st July 1863.

2. This Account Current, with the detailed statements C and M, was received from the Agent on the 24th August, my Memo of audit thereon was sent to him on the 9th September, his reply thereto was received on the 1st November, but on the 3rd of this month, I had to return the Account Current again to the Agent for corrections which had not been made as required. - The revised Account Current was received only on the 12th instant.

3. During the quarter, the value of stores received from England was Rupees 1,119-4-9, the cost of those purchases in India was Rupees 1,723-15-1, and the value of the articles manufactured in the Company's workshops Rupees 3,424-4-2. - These three sums amount in the aggregate to Rupees 5,267-4-2, which, added to Rupees 4,302-9-2, being the value of the articles issued and removed from the previous accounts, but returned into the Stores during the quarter, together with Rupees 3,74,300-6-10, the

the stock on hand on the first day of the quarter, makes the total value of the stores Rupees 69,930-12-10. - The issues during the quarter were to the value of Rupees 81,600-13-2, leaving the stock on hand on the last day of the quarter Rupees 3,00,243-15-2. -

4. The supplies from England consisted of Medical drugs and Photographic Apparatus, and were procured on the indents sanctioned in the Government Order No. 1128 of the 23rd May 1862. The purchases in India were made on the indents sanctioned by this office, under the authority conveyed in the Government Order No. 211 of the 24th January 1863. The stores manufactured were made without the previous sanction of this office, though specific and clear instructions on the subject were furnished to the Agent in General Ludlow's letter No. 337 of the 2nd March 1863, referred to in para. 4 of my letter No. 54 dated 29th July 1864. With regard to this omission, the Agent's only explanation is, that the articles were made on various sanctioned estimates for works; but this statement I find is inconsistent with the entries in the Store Accounts, from which it will be observed, that the stores manufactured, consist partly of working tools, &c., which were made for laying in stock to meet future demands, and partly of articles made for particular sanctioned works. In the former case, the instructions referred to above clearly shew, that the Agent should have obtained the previous sanction of this office before the articles were made, and in the latter case, the articles should not have been brought at

Tools Rs. 7403-14-4
Miscellaneous 26,829-1-10
Machineries 15-
31,218-2

at all on the Store returns, but debited in the Manufacture Account Current R to the several works for which they were required. - Such derivations from the Rules, cause unnecessary correspondence and great confusion and difficulty, both in the preparation and examination of the Accounts, and moreover, if the stores manufactured by the Company's Officers for laying in stock, be made, without the previous sanction of this office, and not dealt with in the Accounts as in the case of stores purchased in the market, it becomes impracticable to check or control the expenditure on stores, as required by Government.

No. 209 of 6 Sept 64.

5. With regard to the stores returned, Rupees 4,3029-2-7, and again brought into the General Store Returns, I find this arrangement was objected to the first time it appeared in the accounts, as tending to create confusion, and on the present occasion I wrote to the Agent pointing out that the Rules provide for all the transactions connected with stores, and that no change of practice should be allowed, without clear explanation of the advantages to be derived therefrom. - Stores once issued to works should not come back into store, but, when no longer required for such works, they should be transferred to other works which require them. I have not yet had a reply from the Agent to my letter on this subject.

6. The detailed Accounts C and M have been duly audited and examined in this office. An abstract of these Accounts shewing the value

value of the general articles received and issued under each main head is given below

Articles	Remaining on the 31 April 1863	Received from En. Standley from 1 May to 31 July 1863	Issues in Store from 1 May to 31 July 1863	Manufactures from 1 May to 31 July 1863	Balance on the 31 July 1863
Mathematical instruments	1306 4 3	162 15	12562 8	25808 3 3	1735 14 6
Drawing do and materials	10506 8 9	267 9 10	678 1 8	11452 4 3	1716 5 3
Tools	11728 12	5219 14	7403 14 2	10633 5 1	13508 13 5
Machinery	10521 15 0		1381 12 7	4493 12 6	3810 6 1
Boats	1668 6 3			1668 6 3	1668 6 3
Miscellaneous	19506 8 4	137 4 4	10372 11 9	26829 1 10	13747 14 3
Medical and surgical instruments and appliances	927 8 4	981 9 5	11 11 6	25 8 5	1976 8 8
Provisions				578 2 6	1368 3 2
Total	37430 6 10	1119 4 9	1723 15 1	34268 2 2	14029 2 2

7. The value of stores issued Rupees 81,686-13-2, is debited to the following heads:

General Management	Ru. 3483-15-5
Construction	21,081-15-3
Manufacture of stores	6,575-6-10
General Plant and works	4,572-10
Store charges	704-15-8
Stores sold & recoverable in cash	1,005-8-6
Stores damaged	29-1-8
Total	Ru. 81,686-13-2

The

8. The articles noted in the margin were made up in the Company's workshops without preliminary sanction. The Agent states that they were intended for general purposes, and therefore regular indents should have been prepared. Most of them appear to be of a description not adapted for transport and should therefore have been made up at the spot when required.

10. As it appeared that the articles noted in the margin were made for particular sanctioned works, and as in that case, they should not have been brought on the Store Account, but as stated already, debited above to Construction in the Manufacture Account Current R against the respective works, the Agent was requested to arrange for the preparation of his future accounts accordingly, but in reply he states that "although they were manufactured for particular sanctioned works, yet they must be brought in the Store Accounts, except that of any works done for sanctioned works. I do not understand what this is intended to mean, but either they should have been made on sanctioned indents or debited to works and not to Store."

10. The sums charged for in the fact accounts from May to July 1863, on account of the contingencies of the Agent's and Chief Engineer's Office, were Rupees 11,28-5-10, which added to the value of stationery &c. used

need and charged for in the Store Accounts for the same period viz: Rupees 3500-6-2, makes the total contingent expenses of the Agents and Chief Engineers Office Rupees 4628-10-0 or Rupees 1543-10-0 per month. - The Agent however explains, that the adjustment of certain items left under suspense in the Chief Engineer's Department, was the cause of this large apparent expenditure.

11. A boat with two anchors is shown in these accounts as manufactured at a cost of Rupees 8000. - Taxation was applied for and the Agent states, that a reference has been made to the Chief Engineer for information.

12. The Agent has not carried out the arrangement with regard to Medical Stores which was prescribed in para. 4 of the Order of Government No. 823 of the 1st April 1863, and in the Quarterly Abstract P, part of these stores appear under the head of Insufficient balance, and part under balance of Stores in hand, and this tends to confuse the accounts greatly. - Nothing could have been more easy than the plan prescribed.

13. The attention of the Agent was called to the very unnecessary length of time that certain stores had continued to be shown as in transit, and as it seemed unlikely that some of these would ever be accounted for, it was requested that such should be marked on the list with a view to their value being written off to Profit and Loss, if lost through no carelessness on the part of any servants of the Company. - Explanation also was requested, as to what steps had been

been taken to obtain information as to the causes which had kept some of the stores so long out of the permanent accounts, and in reply the Agent only states that steps have been taken to adjust this sum: -

14. Statement showing the particulars of the balance of Stores in hand, has not yet been received.

15. Up to the 31st July 1863, the expenditure on account of Store charges was Rupees 131211-0-0 or 226 per cent on Rupees 574,500 the total expenditure on Stores. - It appears also, that up to the same date, stores of the value of Rupees 6872-7-2, ^{were sold to private persons} and as no distribution of Store charges had been made these stores sold, were not debited with their share of the charges, and consequently about Rupees 1580 which should have been borne by them, will have to be debited to the stores in excess of their fair proportion. - This was pointed out to the Agent, who in reply states, that he does not see how the Company can be said to have lost Rupees 1580, because the stores sold were made in the workshop, but this really makes no difference, for everything used in the workshop, whether tools or materials, has to bear its share of Store charges.

16. Rule XLVI requires that the depreciation of general plant used on works shall be ascertained and the amount credited to the value of the plant as exhibited in the accounts, and Form S is the account to exhibit this adjustment. - Either no depreciation has been taken into account, and

[illegible]

2. The particular attention of the Manager will be requested to forward

1, 8, 10 and 12 of the
~~Consulting~~ Engineer's letter, received

and he will be reminded
of the necessity of strict
conformity to the Rules
of the Department.

The Manager's reply
to the reference made to
him by the Consulting
Engineer regarding the
exhibition in the accounts
of stores returned, should
be submitted to Government,
when received.

From the state-
ment appended to para-
graph 6, it is observed that
the value of stock

3,88,243 - 15 - 8.
374,300 - 6 - 10
<hr/> 13,943 - 8 - 10

on hand on the 31st
July 1863 was ~~Rs. 3,88,243-15-8~~
or Rs. 13,943 - 8 - 10 in
excess of the balance
in the previous quarter.
~~The above statement is~~
~~the statement of the~~

In submitting the
next Account Current,
Captain Mullins will
be good enough to report
whether the charges ad-
verted to in paras 13
and 16 have been ad-
justed.

The Hong Kong
remarks relative to the
distribution of store

store-changes proportionately
 over all stores manufactured
 in the Company's Workshops
 are correct as all

2-21	- 2,222.22
01-0	- 000.00
01-2	- 2,222.22

All

all understanding of
 the actual business of the
 firm is essential. The
 management of the business
 requires all attention
 to the work of the
 firm and the work of the

J. H. Brown
 25/11/18

J. H. Brown & Co
 Manager - 10/1

18
 3
 Dec 5th December

Copy in a letter to England
of 10: January 1865 No 5.

1623

No 1864 Depts

No of Govt for Depts

No 3480

No of the Ingovt

of 5 Decr/64

Account of the
of the G. & C. Stores
for the Quarter ending
31st July/63 passed
with certain ob-
servations.

No 96. 97