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*Proceedings of the Madras Government, Public Works Department,
15th June 1865.*

No. 394. Read the following Proceedings of the Madras Government in the
Revenue Department :—

Recording Proceedings in the Public
Works Department, communicating
letter from the Government of India,
promulgating the rules and forms for
the revised system of account. (Here enter 8th June 1865, No. 1,242.)

No. 395. ORDER THEREON, 15th June 1865, No. 1,664.

ACCOUNT, No. 71.

Communicated to the Controller of
Public Works Accounts, with reference
Procs. of Govt. No. 1,645, dated 14th June 1865. to the Orders marginally noted.

(True Extract.)

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

To the Controller of Public Works Accounts.
,, Superintending Engineers.

Etd. S. T. Augustin.

Revenue Department
Proceedings of the Madras Government
Read the following

Proceedings of the Madras Government, Public Works Department,
9th May 1865.

Read the following letters:—

No. 185. From Lieutenant-Colonel C. H. DICKENS, R. A., Secretary to the Government of India, Public Works Department, (Account), to the Secretary to Government of Madras, in the Public Works Department, dated Fort William, 10th April 1865, No. 306 A.

SIR,

1. In forwarding a copy of the Resolution* of the Government of India, promulgating the detailed rules and forms which have now been drawn up for the revised system of account in the Public Works Department, based on the proceedings and recommendations of the Accounts Commissioners, I am directed to convey the following remarks for the information of His Excellency the Governor in Council, explaining the effect which the Governor General in Council is desirous that these rules may have upon the system of account obtaining in the Madras Presidency.

* Public Works Circular No. 33 of 1865.

2. The opinions of the Government of India as to the broad principles of account which should be adopted, in order to bring the Public Works Accounts in the Madras Presidency into general harmony with the Imperial system of account and finance, were enunciated at length in Colonel Strachey's letter No. 1111, dated 17th June 1864; I am now to explain the precise application of the new rules of account as they have been at last definitively established.

3. I am first to remark that these rules have been drawn up primarily for application in the Local Governments and Administrations immediately under the orders of the Government of India. They form indeed a portion of the new edition of the Public Works Code, which is now in course of compilation, the provisions of which Code do not, as a rule, extend to the Presidencies of Madras and Bombay.

It was stated in the letter above quoted,† that while the Government of India would henceforward find it necessary to require absolute uniformity in the accounts to be rendered to it of the expenditure incurred under the Budget grants, and like uniformity in the operations by which those accounts are prepared in the Controllers' Offices, it was not intended to enforce one and the same system throughout India, either in the detailed management of works, the actual disbursements of money, or the original accounts of such disbursements. The new system as now established need consequently have only a partial application to the Madras Presidency in some respects, while in others the system must necessarily be absolutely uniform in all parts of India.

4. The rules now promulgated are comprised in two Chapters, one relating to the accounts of Executive Engineers and the Disbursing Officers serving under them, the other to the accounts of the Controller's Office.

5. The first Chapter again is divided into two Sections, one relating to the original accounts of disbursers, the other to the compilation and abstraction which those accounts undergo in the Executive Engineer's Office. In regard to the first Section, the points which the Government of India desires may be established are—that the accounts may be based upon the actual disbursements of cash made; that every disbursing officer may obtain a monthly clearance for his expenditure; that a clear distinction may be maintained between accounts of cash and of stock, and that the receipts and expenditure of public works disbursers from whatever source obtained, and on whatever account disbursed, whether from Local or Imperial Funds, may be brought into the regular Public Works Accounts, so as to be passed finally through the books of the Controller.

6. As regards the second Section of Chapter XIX, on the accounts compiled in Executive Engineers' Offices, the Governor General in Council requests that the classification of expenditure adopted in the Executive Engineer's books may be

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9th May 1865.*

precisely the same as is therein laid down. This amount of uniformity is necessary, because the entries in the Controller's books must be based on those of the Executive Engineer, and it is essential that the accounts of all the Central Offices should be kept on one pattern.

7. At the same time, while the adoption or rejection of the new system of account in its details, is left to the Government of Madras, the Governor General in Council trusts that Government will give these rules the attention which they can fairly claim from the careful and complete way in which they have been drawn up, and hopes that so far as they may be found applicable to the circumstances of the Madras Presidency they may be adopted. In dealing with a business of this kind, the Government of India is able to make use of the services of the trained accounts Department immediately attached to it, and has further the advantage provided by the aid of the special financial Officers connected with the Government of India, while both departments have been assisted in this task by the advice and co-operation of Mr. Foster, one of the Commissioners on Indian accounts appointed by the Secretary of State. And the Governor General in Council would further point out the consideration, which will doubtless present itself forcibly to the Government of Madras, that it is clear the attainment of uniformity in the final accounts will be rendered easy, in proportion as they are based in the first instance on a uniform mode of exhibiting details.

8. Turning now to Chapter XX, relating to the accounts of the Controller's Office, I am to explain the extent to which the rules contained in that Chapter are to be held to be applicable throughout India, and I am to remark that the conditions for establishing a uniform system of accounts for India in the main features, a result which both the Government of India and the Secretary of State consider to be of great consequence, necessarily requires that the accounts of the Central Offices shall everywhere be kept on a uniform plan.

9. Section I of Chapter XX, relates to the Budget credits and appropriations, and is to be considered applicable to all parts of India. It will be observed that the Budget Register and the monthly Appropriation Return to be rendered by the Controller have both been greatly simplified and reduced in bulk, compared with the forms at present in force; but this matter has formed the subject of a separate communication.

10. Section II of Chapter XX, relates to the accounts of Public Works Expenditure to be kept in the Controllers' Offices, and the mode of auditing the monthly accounts of Executive Engineers. Upon this latter point it will not be necessary to follow the exact procedure in audit which is laid down, if the Government of Madras has any objection to it, or is disposed to substitute any other procedure, in place of that described in the first 33 paragraphs of the Section. Thus the rules for dealing with cases of delay in the submission of accounts (paragraphs 11 to 14), the mode of reporting objectionable items of expenditure (paragraphs 28 to 32), and the report required to the Government of India of all items of loss (paragraph 33), have been framed for adoption only in the Governments and Administrations directly under the Government of India. I am to request, however, that the Controller may be instructed to comply with the provisions of paragraph 9 of this Section, and to report to the Accountant General in this Department all cases of establishment charges not provided for by the rules which he has passed provisionally, as such procedure will be simply in accordance with existing practice.

11. The latter part of this Section, from paragraph 34, relates to the mode of booking the accounts in the Controller's Office, and I am to request the Controller may be instructed to keep his books precisely according to the manner therein explained, which is very completely illustrated by the forms referred to in the Section.

12. Section III treats of the accounts of expenditure of imperial funds on Public Works by Civil Officers or other non-departmental disbursers, and is based on Public Works Standing Order No. 42 of 1861. The provisions of this Section are applicable throughout India.

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13. Section IV describes the accounts to be kept of State expenditure on railways and other guaranteed enterprise, and consists chiefly of new rules now established for the first time. This Section is applicable to all parts of India where expenditure of this class is incurred, and has been framed in view to placing this important branch of the Public Accounts on a more satisfactory footing than it has heretofore occupied. This subject will also be referred to in a separate communication.

14. Section V on the accounts of the Public Works Revenue is entirely new, and is based on orders of the Government of India in the Financial Department* which are about to be notified to the Department. The rules contained in it are generally sufficient to secure method and

this Department in a Public Works Circular. The rules contained in it are generally applicable throughout India, and will, it is hoped, suffice to secure method and regularity in this important branch of the Revenue Accounts.

15. The concluding Section of Chapter XX describes the Monthly and Annual Accounts to be rendered by the Controller to the Accountant General in this Department. The rules contained in it are substantially the same as those now in force, and call for no particular remark.

16. I am to state that 260 copies of Chapters XIX and XX and Part I of the Forms are available, if the Government of Madras desires to have them, in addition to the 40 copies now sent.

17. In conclusion I am to express the hope of the Governor General in Council that the publication of the detailed instructions for keeping the Public Works Accounts, which have formed the subject of this letter, with the full and complete illustrations provided by the Forms, may suffice for the accomplishment of the important end which the Government of India, and the Secretary of State are desirous of having fulfilled—the establishment of an accurate, simple, and expeditious system of account and audit of public works expenditure throughout India.

No. 307A.

Copy forwarded to the Accountant General, Public Works Department, for information and guidance.

No. 186. From Lieutenant-Colonel C. H. DICKENS, R. A., Secretary to the Government of India, Public Works Department (Account), to the Secretary to the Government of Madras, Public Works Department, dated Fort William, 21st April 1865, No. 014A.

Sir, In forwarding Part II of the new Forms of Accounts for the Public Works Department, which were established by Standing Order No. 21 of 1865, I am directed to state that, as this Part relates entirely to the accounts of Controllers' Offices, only a limited number of copies have been printed, and that 35 copies have now been despatched for use in Madras, of which 25 copies have been sent direct to the Controller from the Accountant General's Office to save time.

(Signed) A. B. SAMPSON,

For Secy to the Govt of India.

ORDER THEREON, 9th May 1865, No. 1,257.

No. 187.

ACCOUNT, No. 31.

1. The foregoing papers will be communicated to the Controller of Public Works Accounts for information and guidance.

2. It will be observed that although the rules and forms of Accounts now forwarded are primarily intended for the guidance of the Local Governments and Administrations immediately under the Orders of the Government of India, certain portions, specifically adverted to in Colonel Dickens' letter, are to be held appli-

Order

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cable throughout India; while in respect to the rest, the Government of India expect that they will be adopted to the extent to which they may be found suited to the circumstances of this Presidency. The Controller will accordingly embody in the Manual which he has been requested to prepare, in Proceedings No. 1,137, dated 28th April 1865, the rules and forms which have been made applicable to this Presidency, and he will further carefully consider the other portions of the Bengal system of Accounts with a view to the adoption by the Madras Department Public Works of such of the rules and forms as may be calculated to simplify the work of the Account Department.

3. Paragraph 14 of Colonel Dickens' letter of 10th April will be communicated to the Revenue Department.

(True Extract.)

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

To the Controller of Public Works Accounts.
.. Revenue Department, with rules and forms.

Order thereon 8th June 1865 No. 1212

Recorded with reference to G. O.

of 7th June 1865 No. 1223.

True Extract

P. Orr.

As Under Secy. to Govt.

To

The P. W. Department

Exd. R. H. Lee.

Account

no 1664

Communicated to the

Controller of Public Works Accounts

with reference to the orders now

= specially noted

*Prop of Govt
No 1645 of
14th June 65*

*Fort St George
15th June 65*

W. B.

*To The Controller of
P. W. Accounts*

Superintending Engineers

2087

21st June