

(1) Number of pages _____

(2) Date of repair _____

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No.	1883	Press
	111-112	Mis.
Dated	5-7-	1865

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

No. 111. 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 of Public Works, dated Madras, 17th June 1865, No. 29 :—

SIR,

1. I have the honor to submit, for the sanction of Government, the accompanying Account Current of the Company's stores for the nine months ending 31st January 1865.

2. This Account Current and the detailed statements, were received from the Agent on the 3rd and 8th May 1865, and my Memorandum of audit thereon was sent to him on the 19th idem, his reply thereto, with a revised Account Current, was received on the 12th instant.

3. During the nine months for which the Account Current is rendered, the value of stores received from England and brought to account was Rupees 97,048-6-2 the cost of those purchased in India was Rupees 73,754-13-4, and the value of articles manufactured in the Company's workshops for laying in stock was Rs. 30,681-12-4, amounting in the aggregate to Rupees 2,01,484-15-10 which, added to the balance of stock on the 1st May 1864, makes the total value of the stores Rupees 6,56,806-7-9, deducting from this sum the issues

* Inclusive of Rupees 43-13-4, adjusted on the Creditor side in rectification of error in the previous Account Current.

during the nine months, which amounted to Rupees 85,919-4-8,* the stock on hand on the 31st January 1865 was of the value of Rupees 5,70,887-3-1.

4. The supplies from England consist of tools, machinery, and miscellaneous articles, which the Agent states were procured on the Indents sanctioned in Government Orders Nos. 1,092 and 196 of the 20th May 1862, and 23rd January 1863, but as these indents amount to only Rupees 70,453-0-4, the actual outlay is Rupees 26,595-5-10 in excess of the sanction.

5. In the margin are shown the particulars of the purchases made in India with and without sanction. With regard to the unsanctioned expenditure incurred under the Agent's authority, he states that he is unable to furnish any explanation, the officer who spent the money having now left the Company's service, leaving nothing on record by which an idea of the principle under which he acted could be formed. The same sanctions under which stores were

purchased and charged for in the previous accounts were, by mistake, again quoted in support of certain expenditures in the accounts now submitted, but as the Agent in his reply to my Memorandum of audit admits that these stores were really purchased without sanction, I have included their value in the unauthorized outlay made in his Department. The expenditure by the Chief and Executive Engineers was incurred wholly without sanction, and the Agent states that he has taken steps which he hopes will secure that all purchases after 1st February 1865 will be on sanctions. I must here, however, remark that it cannot be deemed satisfactory that a change in the staff of the Agent's Office should render it impracticable to trace the circumstances under which a considerable expenditure has been incurred. With regard to the Chief Engineer's unsanctioned expenditure, I am unable at present, in the absence of the details, to ascertain whether its exhibition as on account of stores is correct, or whether the debit to that head is a mistake. I have however asked for a list, and on its receipt the Agent will be requested to transfer all expenditure properly debitable to construction to that head.

Officers.	On sanctioned indents.		Without sanction.	
	RS.	A. P.	RS.	A. P.
Agent	36,429	2 8	13,028	10 0
Chief Engineer ...			18,632	15 8
Executive Engineers			5,664	1 0
Total ...	36,429	2 8	37,325	10 8

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

6. In Government Order No. 2,092 of the 11th November 1861, a sum of Rupees 50,000 was sanctioned specially for the purchase of timber. The amount expended under this sanction has been as follows:—

	RS.	A.	P.
From January to April 1862	5,119	9	0
In May 1862	3,192	12	5
Between June and July 1862	4,332	14	2
In August 1862	3,300	10	3
Between September and October 1862	9,198	5	6
Do. May and July 1863	2,029	10	10
Do. August 1863 to April 1864	9,450	14	4
Do. May 1864 and January 1865	19,264	6	11

Total ... 55,889 3 5

This sum exceeds the sanction by Rupees 5,889-3-5, and the difference is included in the unauthorized outlay of Rupees 13,928-10-0 in the Agent's Department, noticed in the preceding paragraph.

7. The stores manufactured were also made without sanction, and they consist partly of working tools, &c., made for laying in stock, and partly of those made for particular works. The irregularity of similar transactions has been noticed in submitting previous accounts. All I can say here is that I believe the Agent, since the arrival of the gentleman who is now the Chief Accountant and Storekeeper, has adopted improved arrangements, which will ultimately result in the exercise of a proper control over all expenditure on account of stores.

8. An abstract showing the value of the articles received and issued under each main head is given below:—

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

RECEIPTS FROM MAY 1864 TO JANUARY 1865.														
Description of articles.	Balance on the 30th April 1864.	Received from England.		Purchased in India.		Manufactured in India.		Total.		Total of columns 2 and 6.		Issued in nine months.		Balance on the 31st January 1865.
	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.	RS.	A. P.
1	2	3	4	5	6	7	8	9						
Mathematical instruments	22,391 11 11	42 0 7	5,968 5 8	...	6,010 6 3	28,402 2 2	4,842 6 1	23,559 12 1						
Drawing instruments and materials.	9,267 14 3	86 15 9	1,736 3 3	...	1,823 3 0	11,091 1 3	2,037 0 3	9,054 1 0						
Tools	91,551 2 5	56,608 9 9	5,619 9 2	8,417 12 0	70,645 14 11	1,62,197 1 4	22,646 15 10	1,39,550 1 6						
Machinery	39,928 9 8	15,571 5 5	...	...	15,571 5 5	55,499 15 1	1,007 9 5	54,492 5 8						
Boats	2,543 12 3	...	300 0 0	3,038 4 10	3,338 4 10	5,882 1 1	1,589 1 4	4,292 15 9						
Miscellaneous	2,47,727 10 8	24,739 6 8	59,099 15 6	19,225 11 6	1,03,065 1 8	3,50,792 12 4	52,817 1 3	2,97,975 11 1						
Telegraph stores	40,754 3 9	...	...	...	...	40,754 3 9	43 13 4	40,710 6 5						
Medical stores	1,156 7 0	...	1,030 11 9	...	1,030 11 9	2,187 2 9	935 5 2	1,251 13 7						
Total	4,55,321 7 11	97,048 6 2	73,754 13 4	30,681 12 4	2,01,484 15 10	6,56,806 7 9	85,919 4 8	5,70,887 3 1						

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

9. The balance on the 1st May 1864 under each main head, as shown in this abstract, differs from that given in paragraph 8 of my letter No. 1, dated 6th May 1865, submitting the accounts for nine months ending 30th April 1864, and this difference I find is owing to certain articles having been since transferred from one head to another in the Agent's Office to rectify errors in classification. The total however has not been affected.

In the audit Memorandum on these accounts the want of proportion between purchases and issues was noticed, and it was remarked that it seemed probable that, had the utilization of stores in stock been attended to, much of the additional outlay might have been avoided. To this the Agent has replied that "all Indents for stores are now rigidly scrutinized, and if the exact articles asked for are not in store, care is taken to ascertain if we have other articles of a somewhat similar kind, which by a little management may be made available for the purpose required," so that it may be hoped that no unfavorable comments will be necessary on this point in submitting future accounts.

10. The value of stores issued, Rupees 85,875-7-4, is debited to the following heads:—

	RS.	A.	P.
General management ...	2,896	10	10
Construction.			
Main supply	11,639	7	4
Buildings	147	1	10
Executive Departments, Office use	4,659	10	11
Manufacture of Stores	16,915	14	0
General Plant on works	48,413	15	11
Store charges	293	6	5
Stores sold, &c.	768	1	0
Stores lost	141	3	1

Total ... 85,875 7 4

11. The unadjusted balance of the Store charges up to 30th April 1865, as shown in paragraph 12 of my letter No. 1 of the 6th May 1865, was Rs. 68,906-9-2, and the expenditure during the subsequent nine months under that head was Rupees 59,971-10-9,* both amounting to Rupees 1,28,878-3-11, of this sum Rupees 22,155-2-7 were adjusted to the debit of the following heads:—

* Exclusive of Rupees 57-9-4, refunded.

	RS.	A.	P.
General management ...	608	11	9
Construction.			
Main supply	5,687	0	0
Buildings	144	11	8
Executive Establishment	971	1	2
Manufacture of Stores	6,802	12	10
General Plant in use on works	3,481	4	7
	11,262	5	5

22,155 2 7

the remainder, Rupees 1,06,723-1-4, which comes to about Rupees 18.6 per cent. on the value of the stock of stores on hand on the 31st January 1865, will be adjusted in the subsequent accounts.

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

	As per Indent.			As per Agent's list.		
	Quantity.	Value.		Quantity.	Value.	
Bags, Gunny.....No.	50	RS.	A. P.	150	RS.	A. P.
Brushes, Camel hair, crow, as per Indent..... No. 24	36	20	0 0	124	50	0 0
Do. do. Duck do. " 26	72	4	8 0	130	10	5 4
Do. do. Goose do. " 24	72	not priced		124	12	13 10
Do. do. Swan do. " 26	24	4	8 0	36	25	13 4
Cases, packing, large.....	25	9	0 0	88	18	0 0
Chain, measuring, 100 feet, with arrows.....	12	not price		181	0	0
Colors, water, dry, burnt Sienna, cakes of.....	12	65	0	19	213	12 0
Knives, pen, double blade. No.	12	unpriced		42	48	0 0
Levels, stands.....	12	10	8 0	24	30	0 0
Staves, levelling, circular 14" "	2	12	0 0	15	150	0 0
Tables, Writer's, with 3 drawers.....	20	20	0 0	24	810	0 0
Parallel rulers, rolling 9" "	12	766	0 0	18	360	0 0
Do. do. do. 18" "	1	240	0 0	2	12	9 7
Varnish, carriage, country. Gals.	8	unpriced		6	70	3 2
	5	14	0 0	5	45	0 0
		20	0 0			

12. The purchases marginally noted are greatly in excess of the sanctioned indents. In the Audit Memorandum explanation was asked for, and it was noticed that indents become practically useless if the adherence to them be not more close than is shown in these cases. The Agent is unable to afford explanation owing to the Officer (the late Chief Accountant) who made the purchases, having left the service of the Company.

13. The accounts show stores to the value of Rupees 72,388-11-2 as in transit, and of these, stores amounting to Rupees 55,887 have been under that head for more than six months. The Agent was asked whether since the date* to which these accounts have been made up, any adjustments had been effected, and if so, to what extent. No definite information has been given, but Mr. Henslowe says "many of these articles there can be no doubt are irrecoverably lost to the Company, and these will have to be written off. A delivery, I believe the final one, is now being made by a formerly defaulting Contractor, and as soon as this is completed I shall be able to effect a final adjustment of this account." I do not know how far the Contractor in question has been concerned with the items making up the stores so long undelivered or not brought to account, but as some of the stores were despatched so far back as 1861, the final measures ought to have been taken long ago. The subject has been noticed in transmitting the accounts for successive periods for a long time past, and it would be well that the Agent should take such steps as may be necessary to show at an early period what the loss has really been, what its amount has been in each year, through whom the losses have occurred, and what steps, if any, were taken to ascertain the cause of the non-arrival of each consignment of stores, the receipt of which had not been acknowledged two, or at most, three months after despatch.

* 31st January last.

14. During the nine months under notice stores of the value of Rupees 909-4-1 were sold to private individuals without the addition of any per-centage on account of store charges, whereby a sum of Rupees 187, properly debitable thereto, will have to be debited to the stores used for the purpose of the Company. With a view to obviate similar losses for the future, it has been arranged that all articles made up for, or stores sold to, private individuals shall be debited with 25 per cent. of their value or cost, to provide for their share of store charges.

15. Rupees 300 were expended in the purchase, and Rupees 3,038-4-10 in the manufacture of boats. The sanction under which the expenditure was

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

incurred was asked for, and it was remarked that if, as was supposed, these boats were those sanctioned in the sectional estimates for the ferries, they should have been charged to construction and not to stores. No definite reply has been given, but the Agent asks whether it be not proper, in the first place, to bring them on the Store Returns to prevent their being lost sight of? Here, however, the important point in all these transactions is left unconsidered. If these boats are ferry boats included in sanctioned estimates, they should be built against that sanction and from no other funds, and should therefore be debited to construction, and they are no more debitable to stores than is the expenditure on revetments, sluice shutters, bricks, &c., all of which articles are a portion of the canal and of its equipments. If, on the other hand, it were thought advisable to take the boats out of the Construction Estimates, and debit them to General Plant, this might have been done in a regular manner, though it is objectionable to make it an after-thought explanation, and even then these boats would not at any time require to be brought into the Store Accounts.

16. In the list of incomplete articles in the manufacture of Stores Account Current R, a decrease of Rs. 6,678-11-2 in the sums expended on workshop buildings was found, without any corresponding entry on the credit side. Explanation was asked for, and the Agent has sent me the account, I have had to return it to him, with a request that he will cause the Account Current and the list of incomplete articles to be corrected.

Rupees	16,678	9	0
"	9,999	13	10
"	6,678	11	2

a Memorandum of omissions, but as the information does not enable me to balance the account, I have had to return it to him, with a request that he will cause the Account Current and the list of incomplete articles to be corrected.

17. With reference to paragraph 2 of the Order of Government No. 3,166, of 3rd November last, and to paragraph 10 of my letter therein contained, I have to request the approval of Government to the way in which the Accounts of Receipts (L), issues (M), and balances (N), of stores have been prepared. These accounts have been made up in accordance with suggestions made by me to the Agent, and while the more valuable articles, such as instruments, machinery, &c., are shown in some detail, the tools have been classified, and thus the bulk of the accounts has been much reduced, while the value of the documents, as exhibiting the transactions under the several heads, is much increased. To allow comparison I also enclose the Accounts L, M, and N, for the previous period, in the old form. It is intended that the Indents for stores shall be classified in the same way as these Abstract Accounts, and the expenditure checked with reference to the sanction under each head, and not for each article. Thus I shall no longer be able to see whether the number of Momaties purchased agrees with that indented for, but the sanctions for earthwork tools will be checked against the sanctions under that head. This appears to me to be, on the whole, a better arrangement, and practically the detailed check, which was supposed to be attainable, was of little use, because this Office has had no opportunity of seeing what the tools and implements in use in any Division were, when an Indent for a further supply was received, and without this it was useless to attempt to judge whether the most was being made of the stock in hand, though no longer under the head of stores. The control of this Office should, it seems to me, be directed rather to seeing that a fair working reserve of stores of each kind for the use of all the Divisions is not exceeded, rather than to an interference with each description of stores in detail, and I think that the new accounts will facilitate a check of the description which I have noticed as the more desirable.

No. 112.

ORDER THEREON, 5th July 1865, No. 1,883.

ACCOUNT, No. 19.

1. The Government pass the Account Current of the Irrigation and Canal Company's Stores for the nine months ended 31st January 1865.

*Proceedings of the Madras Government, Public Works Department,
5th July 1865.*

2. The unauthorized purchase of tools, machinery, timber, &c., noticed in paragraphs 4 to 7 and 12 of the Consulting Engineer's letter, was highly irregular. The Government are, however, glad to learn that measures have been taken by the Manager to prevent the recurrence of similar proceedings, and to ensure a proper control over all future expenditure on account of stores.

3. The addition of 25 per cent. to the cost of stores made up or sold by the Company to private individuals is approved.

4. The special attention of the Manager will be drawn to the remarks in paragraph 13, and he will be requested to adopt, at once, the course suggested by the Consulting Engineer for ascertaining the actual loss sustained by the Company by the non-delivery of stores, and the parties responsible for the same.

5. The Government approve of the new arrangement adopted in the preparation of forms L, M, and N, and they concur in the views expressed in paragraph 17, regarding the control which should be exercised by the Consulting Engineer in respect to the supply of stores to the several Divisions.

(True Extract.)

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

To the Consulting Engineer for Irrigation and Canal Company.
To the Manager for do. do.

Consulting Engineer's Office,
Irrigation & Canal Company,
Madras, 17th June 1865.

N^o 29

From,

Captain J. Muller, R.E.
Consulting Engineer, I.C.C.

To

The Secretary to Government,
Department of Pub. Works.

Sir,

1. I have the honor to submit for the sanction of Government, the accompanying Account Current of the Company's stores for the 9 months ending 31st January 1865.

2. This Account Current and the detailed statements, were received from the Agent on the 3rd and 8th May 1865, and my Memo. of Credit thereon was sent to him on the 19th idem; his reply thereto with a revised Account Current, was received on the 12th instant.

3. During the 9 months for which the Account Current is rendered, the value of stores received from England and brought to account was Rupees 97,048-6-2, the cost of those purchased in India was Rupees 73,754-13-4, and the value of articles manufactured in the Company's workshops for laying in stock was Rupees 30,681-12-4, amounting in the aggregate to Rupees 201,484-15-10, which, added to the balance

balance of stock on the 1st May 1864, makes the total value of the stores Rupees 6,56,806-7-9: deducting from this sum the issues during the 9 months, which amounted to Rupees 85,919-4-8, the stock on hand on the 31st January 1865 was of the value of Rupees 5,70,887-3-1.-

* inclusive of Rs. 13-13-4 adjusted on the Creditor side in rectification of error in the previous statement.

4.- The supplies from England consist of tools, machinery, and miscellaneous articles, which the Agent states were procured on the Agents sanction. In Government Orders No. 1092 and 196 of the 20th May 1862, and 23rd January 1863, but as these indents amount to only Rupees 70,453-11-4, the actual outlay is Rupees 36,595-5-10 in excess of the sanction.

5.- In the margin are shown the particulars of the purchases made in India with and without sanction. With regard to the unsanctioned expenditure incurred under the Agent's authority, he states that he is unable to furnish any explanation, the officer who spent the money having now left the Company's service, leaving nothing on record by which an idea of the principle under which he acted could be formed. The same sanctions under which stores were purchased and charged for in the previous accounts were, by mistake, again quoted in support of certain expenditures in the accounts now submitted, but as the Agent in his reply to my Memo of Audit admits that these stores were really purchased without sanction, I have included their value in the unauthorized outlay made

Officers.	On sanction.	Without sanction.
Agent	36,429 28 10	10
Chief Eng.	1852 5 8	
Engs.	566 1	
Total	36,429 28 10	10

in his Department. The expenditure by the Chief and Executive Engineers was incurred wholly without sanction, and the Agent states that he has taken steps, which he hopes will secure that all purchases after 1st February 1865 will be on sanction. I must here however remark that it cannot be deemed satisfactory that a change in the staff of the Agent's Office should render it impracticable to trace the circumstances under which a considerable expenditure has been incurred. With regard to the Chief Engineer's unsanctioned expenditure, I am unable at present, in the absence of the details, to ascertain whether its exhibition as an account of stores is correct, or whether the debit to that head is a mistake. I have however asked for a list and on its receipt the Agent will be requested to transfer all expenditure properly debitable to Construction to that head.

6. In Government Order No. 2092 of the 11th November 1861 a sum of Rupees 50,000 was sanctioned specially for the purchase of timber. The amount expended under this sanction has been as follows:-

From January to April 1862	No. 5119-9-
In May 1862	3192-12-5
Between June and July 1862	4,332-14-2
In August 1862	3,300-10-3
Between September and October 1862	9,198-5-6
Between May and July 1863	2029-11-10
Under August/63 to April/64	9,450-14-4
Under May/64 and January/65	19264-6-11
	No. 55889-3-5

Thus

Thus sum exceeds the sanction by Rupees 5889-3-5 and the difference is included in the unauthorized outlay of Rupees 13028-10-0 in the Agent's Department in the preceding para:-

7. The stores manufactured were also made without sanction, and they consist partly of working tools &c made for laying in stock, and partly of those made for particular works. The irregularity of similar transactions has been noticed in submitting previous accounts. All I can say here is that I believe the Agent, since the arrival of the ^{Gentleman who is now the Chief} Accountant and Storekeeper, has adopted improved arrangements, which will ultimately result in the exercise of a proper control over all expenditure on account of Stores.

8. An Abstract showing the value of the articles received and issued under each main head is given below:-

Description of articles.	Balance on the 30th April 64.		Receipts from May to 31st August 64.		Stores manufactured in India.		Total.		Stores in Quarters.		Balance on the 31st August 64.	
	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.	Rs.	P.
Mathematical instruments	22391	11	42	7	5968	5	8	6010	6	3	28402	2
Drawing instruments and materials	9267	14	3	86	15	9	1736	3	3	1823	8	1
Tools	91551	2	56	129	9	5619	9	2	3407	12	70615	11
Machinery	39928	9	8	107	5	5	3038	4	10	3338	4	10
Boats	2523	12	3	300	—	—	1571	5	5	55299	15	1
Miscellaneous	247727	10	8	24	3	68	59099	15	6	19225	6	10
Telegraph stores	40752	3	9	—	—	—	40752	3	9	—	—	—
Medical stores	1156	7	—	—	—	—	1030	11	9	—	—	—
Total	655321	7	119	426	2	75752	12	4	30681	12	1	21001

9. The balance on the 1st May 1864 under each main head, as shown in this abstract, differs from that given in para. 8 of my letter No. 1 dated 6 May 1865, submitting the accounts for 9 months ending 30 April 1864, and this difference I find is owing to certain articles having been since transferred from one head to another in the Agent's Office to rectify errors in classification. The total however has not been affected.

In the Audit Memoirs on these accounts the want of proportion between purchases and issues was noticed, and it was remarked that it seemed probable that had the utilization of Stores in Stock been attended to, much of the additional outlay might have been avoided. To this the Agent has replied that all Indents for Stores are now rigidly scrutinized, and if the exact articles asked for are not in store, care is taken to ascertain if we have other articles of a somewhat similar kind which by a little management may be made "available for the purpose required", so that it may be hoped that no unfavorable comments will be necessary on this point in submitting future accounts.

10. The value of stores issued Rupees 85875-7-4 is debited to the following heads:-

General

General Management Rupees 2896-10-10

Construction

Main Supply 4639-7-4

Buildings 147-1-10

Executive Department office use 4659-10-11 V

Manufacture of stores 16915-11-11

General Plant on works 48413-15-11

Store charges 293-6-5

Stores sold 768-1-1

Stores lost 141-3-1

Total Rs. 85875-7-4

11. The unadjusted balance of the store charges up to 30th April 1865, as shown in para. 12 of my letter No. 1 of the 6th May 1865, was Rupees 68906-9-2, and the expenditure during the subsequent 9 months under that head was Rupees 59971-10-9, exclusive of Rs. 579-4-4 both amounting to Rupees 128878-3-11, of this sum Rupees 22155-2-7 were adjusted to the debit of the following head:-

General Management Rupees 608-11-9

Construction

Main Supply 5687-11-11

Buildings 141-11-8

Executive Establish. 971-1-2 6802-12-10

Manufacture of stores 3481-4-7

General Plant on works 11262-5-5

22155-2-7

the remainder, Rupees 106723-1-4, which comes to about Rupees 18.6 per cent on the value of the stock of stores on hand on the 31st January 1865, will

will be adjusted in the subsequent accounts.

	As per indent	As per bill	Value	Value	
Bags gunny	17 50 20	150 50	124 10 5 1	124 10 5 1	marginally noted are great by in excess of the same.
Brushes camel hair crow asp.	26 1/2 1/2	130 12 13 10	130 12 13 10	130 12 13 10	shown indents. - In
do do duck	26 1/2 1/2	124 25 13 4	124 25 13 4	124 25 13 4	the Audit Memo. repla
do do goose	26 1/2 1/2	36 18	36 18	36 18	nation was asked for
do do swan	26 1/2 1/2	88 18 1	88 18 1	88 18 1	and it was noticed that
Cases packing large	25 65	19 213 12	19 213 12	19 213 12	indents become practi
Chains measuring 10 feet with arrows	12 10 8	42 48	42 48	42 48	cally useless if the
Colors water dry burnt Sienna color	12 10 8	24 30	24 30	24 30	adherence to them be
Knives open double blade	12 10 8	15 150	15 150	15 150	not more close than
Levels stands	2 20	24 810	24 810	24 810	is shown in these cases.
Knives leveling circular 1 1/2	20 766	18 360	18 360	18 360	
Tables writers with 3 drawers	12 240	2 12 9 7	2 12 9 7	2 12 9 7	
Parallel rulers rolling	1 1/2 1/2	6 70 3 2	6 70 3 2	6 70 3 2	
do do do 18"	8 14	5 45	5 45	5 45	
Varial carriage country	5 20	5 45	5 45	5 45	

The Agent is unable to afford explanation owing to the officers (the late Chief Accountant) who made the purchases, having left the service of the Company.

13. The accounts show stores to the value of Rupees 72388-11-2 as in Transit, and of these stores amounting to Rupees 55887-11-2 have been under that head for more than 6 months. - The Agent was asked whether since the date at which these accounts have been made up, any adjustments had been effected, and if so, to what extent. No definite information has been given, but Mr. Stenhouse says "Many of these articles there can be no doubt are irrecoverably lost to the Company and these will have to be written off. - A delivery, I believe the final one is now being made by a formerly defaulting contractor and as soon as this is completed I shall be able to effect a final adjustment of this account. - I do not know how far the contractor in question has been concerned with the items."

items making up the Stores along undelineated or not brought to account, but as some of the stores were despatched as far back as 1864, the final measures ought to have been taken long ago. - The subject has been noticed in transmitting the accounts for successive periods for a long time past, and it would be well that the Agents should take such steps as may be necessary to show at an early period what the loss has really been, what the amount has been in each year, through whom the losses have occurred, and what steps, if any, were taken to ascertain the cause of the non-arrival of each consignment of stores, the receipt of which has not been acknowledged two, or at most three months after despatch.

14 During the 9 months under notice stores of the value of Rupees 909-4-1 were sold to private individuals without the addition of any percentage on account of store charges, whereby a sum of Rupees 187, properly debitable thereto, will have to be debited to the stores used for the purpose of the Company. - With a view to obviate similar losses for the future, it has been arranged that all articles made up for, or stores sold to private individuals shall be debited with 25 per cent of their value on cost, to provide for their share of store charges.

15 Rupees 300 were expended in the purchase, and Rupees 3038-4-10, in the manufacture of boats. The sanction under which the expenditure was incurred.

incurred was asked for, and it was remarked that if, as was supposed, these boats were those sanctioned in the Sectional estimates for the ferries, they should have been charged to Construction and not to Stores. - No definite reply has been given, but the Agents ask whether it be not proper in the first place to bring them on the Store Returns to prevent their being lost sight of? Here however the important point in all these transactions is left unconsidered. - If these boats are ferry boats included in sanctioned estimates, they should be built against that sanction and from another fund, and should therefore be debited to Construction, and they are no more debitable to Stores than is the expenditure on Penitents, sluice shutters, bridges, &c., all of which articles are a portion of the capital and of its equipments. - If on the other hand it were thought advisable to take the boats out of the Construction Estimates and debit them to General Plant, this might have been done in a regular manner, though it is objectionable to make it an after thought explanation, and even then these boats would not at any time require to be brought into the Store accounts. -

16 In the List of incomplete articles in the manufacture of Stores Account current R a decrease of 6,678-11-2 in the sums expended on work shop

R 6678-9-
2999-5-10
6678-11-2

workshop buildings was found without any corresponding entry on the credit side. - Explanation was asked for and the Agent has sent me a memo of omissions, but as the information does not enable me to balance the account, I have had to return it to him with a request that he will cause the Account Current and the List of incomplete articles to be corrected. -

17 With reference to para 2 of the Order of Government N^o 3166 of 3 November last, and to para 10 of my letter therein contained, I have to request the approval of Government to the way in which the Accounts of Receipts (To), Issues (By), and Balances (At) of Stores have been prepared. These accounts have been prepared in accordance with suggestions made by me to the Agent, and while the more valuable articles, such as instruments, machinery, are shown in some detail, the Tools have been classified and thus the bulk of the accounts has been much reduced, while the value of the documents as exhibiting the transactions under the several heads is much increased. In the Accounts To, M, and N for the previous period, in the old form. It is intended that the Indents for Stores shall be classified in the same way as these

abstract accounts, and the expenditure checked with reference to the sanction under each head, and not for each article. Thus I shall no longer be able to see whether the number of Promties purchased agrees with that indented for, but the sanctions for Earthwork tools will be checked against the sanctions under that head. This appears to me to be, on the whole, a better arrangement, and practically the detailed check which was supposed to be attainable, was of little use, because this Office has had no opportunity of seeing what the tools and implements in use in any Division were, when an Indent for a further supply was received, and without this it was useless to attempt to judge whether the stock was being made of the stock in hand, though no longer under the head of Stores. The Control of this Office should, if it seems to me, be directed rather to seeing that a fair working reserve of stores of each kind for the use of all the Divisions is not exceeded, rather than to an interference with each description of stores in detail, and I think that the new accounts will facilitate a check of the description which I have noticed as the more desirable. I have the honor to be,

Sir,
Your Most Obedient Servant
John Lubbock, Captain R.E.
Consulting Engineer & C^o

Account

Public Works Department

No. 1583

Proceedings of the Madras Government

Under date the 5th July 1865

Read the following

From the Consulting Engineer
Irrigation and Canal Co.

Submits for sanction Account (Here enters 17th June 1866 No. 29)
Current of the Company's stores for
the 9 months ending 31st Jan'y
1865

The Government pass
the Account Current of the
Irrigation and Canal Co's
Stores for the nine months
ended 31st Jan'y 1865.
The same with a 25%
premium of 20% for
timber &c, reduced to 10%
4 to 7 and 12 of the Consulting
Engineer's letter was
highly irregular. He has
we, however, glad to learn
that ^{by the manner} ~~rigorous~~ have been
taken to prevent the
recurrence of similar
~~proceedings~~ ^{proceedings}, and to ensure
a proper control over all
future expenditure on account
of stores.

The addition of 25
per cent to the cost of
all stores made up or
sold by the Company to
private individuals
is approved.

W.D.

Recd 20th May/62 Nos 46
23rd May/63 389-388
24th May/64 71-72
29th May/65 559-558

Coffy in a dell to Eng?
31st Dec 1865 No 54.

31st Dec 1865
The Consulting Engineer
1866

The Secretary to Govt
C. P. H.

Recd 17th June 1865

Enclosure 7.

Submits for sanction

Account Current of the
Company's stores for
the 9 months ending
31st January 1865

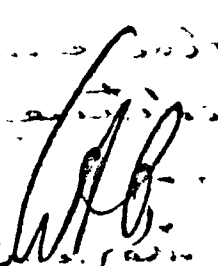
1883-5 29 July 1865

No. 111

25th June 1865 No 29

The special attention
of the manager will be directed
to the remarks in para
13, and he will be requested
to adopt at once, the course
suggested by the Consulting
Engineer in connection
with the actual loss
sustained by the Company
by the non-delivery
of stores and the parties
responsible for the same.

The Govt. approve
of the new arrangement
adopted in the preparation
of Forms I, M & N, and
they concur in the
view expressed in
para 17 regarding the
costs which should be
borne by the Consulting
Engineer in respect to
the supply of stores to the
General Division.


22 July 1905
To Mr. Secy with Encl.
to Manager -
Dated 6 July 1905

To Mr. Secy with Encl.
to Manager -
Dated 6 July 1905

Copy in a Letter to England
of 121 Sept 1865 A: 54.

30 12

70 1868 Dated
Pro: of Gov: for July

70 1883.
Pro: of the M: Gov:
of 5th July 1868

The Account Current
of the C. & C. Co. of London
for the Quarter ended
31st January 1868. pass.

112

28 June 1865