

(1) Number of pages _____

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MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 2674	Press
527-529	Mis.
Dated 23-8-	1866.

Not to be folded or roughly handled

No. 527.

Read the following papers :—

From the Secretary to the Government of India, Public Works Department, (Account), to the Secretary to Government of Madras, in the Public Works Department, (Railway Branch), dated Simla, 23rd July 1866, No. 658 A.

1. In forwarding a copy of Resolution No. 642 A. of this date, regarding the final measures proposed for effecting the complete introduction of the appropriation audit of guaranteed Railways, I am now to forward a copy of Mr. Kellner's report on the accounts of the Madras Railways, and to communicate the following remarks on the points which appear to require special notice in the application of this measure to Railways in Madras. I am at the same time to reply to the proposals regarding the establishment required, contained in your letter, No. 803, dated 10th March 1866.

2. And, first, I am to draw attention to the detailed particulars in the accounts of these Railways which appear susceptible of improvement, or wherein alterations of procedure would seem to be desirable, in order to render a systematic audit practicable and easy.

3. *Omission of cost of English stores from the annual estimate.*—This omission should, no doubt, be rectified for the future in the manner proposed.

Paragraph 2 of Mr. Kellner's Report.

4. *Proposal to appoint an independent Auditor and a Chief Accountant.*—If the Chief Auditor is to audit the whole accounts of the Railways, such an appointment would prove, it may be hoped, very desirable. But the proposal is

Paragraph 16 of Report, and annexures to Madras Government Proceedings, dated 10th March 1866.

coupled with the proposition that his purview should be limited to only a part of the expenditure. It is stated* that "as regards a considerable portion of the expenditure, the duties of payment, audit, and account are all united in the Chief

* Paragraph 15 of Report.

† Proceedings of the Meeting held at Madras, confirmed by Madras Government.

Engineer," and it is proposed† to continue the plan as "the present arrangement is admitted on all hands to work well, and Mr. Kellner had seen for himself that the accounts of the Engineer Department were kept in a clear and satisfactory manner; he would not, therefore, urge any immediate change."

5. The Governor General in Council is strongly of opinion that the expenditure of a great disbursing department, like that of the Chief Engineer, requires to be subjected to a detailed audit of an independent officer of the Company, to the full as much as any other part of the expenditure. From the estimates for 1866-67 it appears that the expenditure on construction is 60 lakhs out of a total expenditure of 86½ lakhs.

6. While, therefore, the Governor General in Council concurs in the proposal to appoint an independent Auditor, and sanctions the change being made, if agreed to by the Board of Directors, His Excellency in Council considers it to be an essential condition that the Auditor's scrutiny should be exercised in the same degree over all the expenditure of the Company.

7. The Governor General in Council is disposed to think that the appointment of a separate Chief Accountant would prove of questionable utility. An audit, to be effective, implies a *control* over the accounts as well as a mere inspection of them. In all Government departments, both in England and India, the Auditor and Accountant are one, and on those Railways where a separate Head Accountant has been established, the appointment has not been found conducive to efficiency.

8. *Employment of other Banks than the Bank of Madras.*—The Report explains that the advances received from Government are placed in the Oriental Bank. Paragraph 14 of Report.
This practice should, beyond doubt, be stopped, and the Company required to bank solely with the Bank of Madras.

9. *Purchase of Stores.*—The latter part of this paragraph describes what appears to be an unnecessary arrangement of bills for stores being passed by the Consulting Engineer, before payment is made, involving a check of a kind which may more advantageously be exercised by the responsible officers of the Company. It may be hoped that, by adoption of the system of authorizations in force in Bengal, this may be given up; it may after this be considered an unnecessary interference with the executive business of the Company. Paragraph 25.

10. *State of the Store Accounts.*—From the remarks on this head, it is to be inferred that these accounts are exceedingly imperfect. If periodical abstracts of receipts and issues are wanting, they can hardly be otherwise; and as stock has been taken only once since the Railway was commenced, a fresh stock-taking will be sure to reveal further deficiencies. Paragraphs 27-32.

11. Paragraph 30 describes a defective system of the Locomotive Store Department. The materials used not being priced, the value of the work turned out by the department cannot be ascertained. Priced store accounts should no doubt be introduced.

12. The supervision of the reform of the store accounts of this Railway will be an important part of the duties of the Examiner, and it is hoped they will be at once entered on.

13. *Great Southern of India Railway.*—The accounts of this Railway were examined by Mr. Trotter, Deputy Controller, who accompanied Mr. Kellner. It is to be inferred from his report, and Mr. Kellner's remarks thereon, that the state of the accounts is defective in many important respects. Paragraphs 42-52.

14. The Agent combines also the functions of Chief Accountant and Store-keeper, and Mr. Kellner recommends that an independent Auditor should be appointed, with full control over the accounts in all Departments. This appointment seems a highly desirable one; the expenditure on this line, 20½ lakhs a year, seems quite sufficient to warrant the outlay, and the Madras Govern-

ment, if it concurs in this view, is invited to make a proposal to the Secretary of State for introducing this reform at once.

15. There remains to consider the action to be taken for completing the introduction of the new audit.

16. The Madras Government have already appointed Lieutenant Filgate, R.E., the Deputy Controller of Public Works Accounts, provisionally to the duties of audit, with the title of Deputy Consulting Engineer. Lieutenant Filgate is described as having an aptitude for accounts, and the appointment is confirmed, subject to approval of the Financial Department. The Governor General in Council requests, however, that the designation of the appointment may be "Examiner of Railway Accounts," instead of "Deputy Consulting Engineer."

17. As regards salary, the Madras Government have passed Rupees 400 Staff to him provisionally, and leave it to the Government of India to say whether the salary should be gradually increased to Rupees 600. The proposal made in the Accountant General's note, approved by the Government of India, to give the Examiner Rupees 500 after two years' approved service, will therefore probably meet the views of the Madras Government.

18. It appears that the Madras Government contemplate that the Examiner shall audit the accounts of both Railways unaided. It seems questionable whether an Accountant will not be required in addition, especially when the accounts of the Madras Irrigation Company are taken up; but the experience of a few months will be able to decide this point, and, of course, the appointment need not be made till the Madras Government finds it necessary.

19. The reductions made in the Consulting Engineer's Office of Rupees 195 a month, are approved. It is proposed to increase the pay of the Head Clerk of the Office from Rupees 350 to Rupees 400, the addition being a personal allowance. The Governor General in Council agrees to this, subject to final orders in the Financial Department.

No. 528. Proceedings of the Government of India, Public Works Department, (Account), dated Simla, the 23rd July 1866, No. 642 A.
Government Audit of the Accounts of Guaranteed Railways.

Read again the following papers:—

Public Works Department Resolution No. 4 A., dated 24th March 1864, paragraph 4, ruling that the supervision of the accounts of guaranteed Railways to be conducted by Government, should be undertaken by the newly-formed Office of the Accountant General, Public Works Department.

Resolution No. 5,292 A., dated 3rd October 1864, determining that an appropriation audit of the Railway accounts should be at once commenced upon with respect to the Railways at Calcutta.

Resolution No. 140 A., dated 16th February 1865, in continuation of the foregoing, authorizing provisionally an increase to the Establishment of the Accountant General's Office for undertaking the audit of accounts of the East Indian Railway.

Resolution No. 477 A., dated 30th May 1865, with notes by Accountant General and Assistant Accountant General, regarding mode of conducting the appropriation audit.

Resolution No. 482 A., dated 30th May 1865, determining that the audit should be extended to the other Railways in Calcutta, and proposing the deputation of Mr. Kellner, Assistant Accountant General, Public Works Department, to Bombay and Madras, to assist in introducing the system at those places.

Resolution No. 905 A., of 13th October 1865, conveying final orders for Mr. Kellner's deputation as above proposed.

Read also the following papers:—

Letter No. 451, dated 15th February 1866, from the Government of Bombay, forwarding copy of a Report submitted to that Government by Mr. Kellner, and notifying the approval of that Government to Mr. Kellner's proposals, and the measures taken for the establishment of the new audit.

Letter No. 803, dated 10th March 1866, from the Government of Madras, reporting the measures taken to introduce the new audit, and requesting sanction to the Establishment provisionally entertained for this purpose.

Report by Mr. Kellner on the accounts of the Railways in Madras.

Note by Accountant General, Public Works Department, dated 22nd June 1866, on Railway Audit, and preferring definitive rules for the conduct thereof.

RESOLUTION.—The Governor General in Council observes with much satisfaction the progress made towards the introduction of an appropriation audit of Railway expenditure throughout India, as described in the foregoing papers.

2. The new system was commenced, as regards the Railways in Bengal, in the beginning of the year 1865; it has now been extended to Bombay and Madras Governments of those Presidencies, and of all the officials connected with the different Railways.

3. It now remains to consider what measures appear necessary to perfect the arrangements provisionally made, and to establish the new system on a complete and methodical footing.

4. The Accountant General of the Public Works Department has submitted a Note on this subject, in which he has embodied the different points that have to be provided for in the form of definitive rules, and describes how it may be expected that their effect will be still further to simplify and reduce the accounts to be rendered by the Railway Companies to Government, while at the same time placing the audit on a systematic footing.

5. It appears to the Governor General in Council that the rules drafted by Major Chesney will be found very suitable and necessary, and that while the effect of the appropriation audit as already introduced, has been to simplify and reduce work, these rules will tend to carry this simplification and reduction still further; and that the Government control of the expenditure from guaranteed capital will

be rendered more effective than at present, and will be likely to be exercised with less trouble to the Railway Companies than before, especially as regards the bulk of accounts required from them.

6. The principal points in which the system, as provisionally established, will be affected by the proposed new rules are as follows:—

I.—Abolition of separate advance accounts for construction and revenue. (Rules I., II.)

II.—No compilation of accounts to be required from the Government Examiner, whose functions will be those of examination and check only. (Paragraph 15 of Note.)

III.—Mode of checking the accounts. Paragraph 16 proposes a slight modification in the system as now established.

IV.—Mode of charging stores. (Rule XIV.) The existing rules (Circular No. 38, G. G. of 1863) provide that for a completed line the stores shall be charged in the first instance to revenue, and that revenue shall be credited with any portion of the general stores used from time to time on construction. As however no line has yet arrived at completion, the time had not yet come for the application of this rule, which the Governor General in Council considers may be modified with advantage. This point is now under consideration, and the Secretary of State will shortly be addressed on the subject. In the meantime the rule as drafted may stand.

V.—The accounts to be audited should be the whole of the accounts and not merely a part. (Rules X., XI., XX., and XXI.) This is a very important condition. So long as the audit of the Government Examiner (and, where there is such an Officer, of the Railway Auditor) is limited to only a part of the accounts, the measure introduced must needs be imperfect.

VI.—The cash account rendered by the Railway Company to comprise the whole account of the Company, and not merely that of the Agency or Head Office. (Paragraph 21 and Rule XXI.) This condition seems very necessary.

VII.—The monthly cash account to be accompanied by schedules of expenditure. (Rules XXII.—XXV.) A consolidated account bringing together the expenditure of the month and the previous expenditure on each head of service, and comparing the total expenditure with the sanction, is of course necessary for effecting an audit. The proposed schedules appear to be simple and well adapted for the purpose.

VIII.—An Audit statement to be prepared by Examiner, after examination of the monthly accounts, for information of the Consulting Engineers. (Rule XXVIII.) A methodical record of the audit proceedings of the kind contemplated seems quite necessary.

7. These rules should now be referred to the different Local Governments concerned, with a request that if approved they may be introduced at once. Should it seem that any modifications in them appear desirable, the Governor General in Council requests that an early communication may be made on the subject, such part of the rules being held in abeyance pending final decision on the matter, but the system being otherwise introduced at once.

8. As regards the proposed Establishment for examination and audit, the Governor General in Council concurs in the views expressed by the Accountant General (paragraphs 25 to 50) with the slight exception that the saving in the cost of the Government control of the East Indian Railway (referred to in paragraph 46), can hardly be claimed as a set off for the expenditure necessary for the purposes of a Government audit, as that saving was derived from a re-organization of Government Railway business made on general grounds, except so far as the arrangements made are shown to be economical on the whole.

9. An Examiner of Railway Accounts has already been appointed at Bombay, under sanction of the Financial Department. Another has been appointed provisionally at Madras, the confirmation of whose appointment will now be recommended to the Financial Department. An Examiner will now be appointed to Bengal, subject to approval in the Financial Department. The duties of audit in the Punjab must be placed on the Deputy Consulting Engineer for the present.

10. The Governor General in Council considers that the staff salary proposed by the Accountant General for the Examiners, viz., Rupees 400 rising to Rs. 500 per mensem after two years' approved service, with the Presidency house-rent of rank, to be suitable, and this scale will be recommended to the Financial Department accordingly for sanction.

11. The opinions of the different Governments concerned will now be requested as to the sufficiency or otherwise of the establishments of Accountants proposed, and on receipt of their replies the necessary application will be referred to the Financial Department.

12. A separate letter will be addressed to each Government on the points in the accounts of the Railways under their supervision which appear to call for special notice with reference to the remarks in Section II. of the Accountant General's Note.

13. In conclusion, the Governor General in Council desires to record the satisfaction with which His Excellency in Council views the introduction of the important change now carried out. The success with which it has been accomplished has been in great measure due to the hearty co-operation afforded by the Governments concerned, and the Government and Railway officials acting under them. Much commendation is due to Mr. Kellner for the tact and ability with which he has conducted the business entrusted to him, and secured the concurrence of all parties concerned in the proposals brought forward.

ORDER.—Ordered that a copy of the foregoing Resolution, together with the First Section of the Accountant General's Note, be forwarded to the Governments of Madras, Bombay, Bengal, and the Punjab, for the purpose set forth in the foregoing Resolution, and to the Government of the North-Western Provinces, and Chief Commissioner of the Central Provinces, for information.

Also, that a copy be forwarded to the Financial Department, for information, and for consideration of the proposed Establishment of Examiners in Madras and Bengal, and with remark that a further reference will be made subsequently regarding the Accountants, when the replies of the Local Governments are received. The

consideration of the Financial Department is also desired regarding the proposed alteration in the mode of adjusting the advance accounts in the books of the Accountant General, Civil Department, and regarding the proposed Returns to be furnished by him to the Consulting Engineer. (Rule XXXIX.) These are already supplied to the Accountant General, Public Works Department.

Also, to the Accountant General, Public Works Department, for information and guidance, and for communication of paragraph 13 to Mr. Kellner.

Ordered also, that these proceedings be reported to the Secretary of State.

(Signed) C. H. DICKENS, Lieutenant Colonel, R. A.,
Secretary to the Government of India.

No. 529. ORDER THEREON, 23rd August 1866, No. 2,674.

RAILWAY, No. 46.

1. These papers will be communicated to the Consulting Engineer for Railways with reference to G. O. No. 802, dated 10th March 1866.

2. The omission noticed in paragraph 3 of Colonel Dickens' letter should be rectified in future in the manner indicated by Mr. Kellner.

3. It will be observed that, in paragraphs 4 to 7, the Government of India, in sanctioning the appointment of a Chief Auditor subject to the approval of the Board of Directors, express strongly the opinion that the audit of that officer should not, as contemplated, be confined to only a portion of the expenditure of the Railway Company, but, to prevent the anomaly of combining in the same hands both executive and financial control, should embrace the expenditure of the Chief Engineer's Department also. The Government of India further remark that the appointment of a separate Chief Accountant would appear to be of questionable utility. The Consulting Engineer will place himself in communication with the Railway authorities on these matters, and submit their views with such observations as he may himself desire to offer on the objections urged by the Government of India.

4. The Consulting Engineer will, with reference to the remarks in paragraphs 13 and 14, and, in consultation with the Railway officials, state his opinion on the question of appointing an independent Auditor of the accounts of the Great Southern of India Railway.

5. Lieutenant Filgate's official designation will, as desired in paragraph 16, be altered to "Examiner of Railway Accounts."

6. It will be observed from paragraph 10 of the Proceedings of the Government of India, No. 642 A, that the scale of Staff salary which has been recommended to the Financial Department for the Examiners at the different Presidencies is Rupees 400, rising to 500 per mensem after two years' approved service, with the Presidency house-rent of rank.

7. Attention is drawn to the remarks in paragraphs 9 to 12, and to the intimation in paragraph 19 of Colonel Dickens' letter.

Proceedings of the Madras Government, Public Works Department,
23rd August 1866.

8. The Consulting Engineer will, in communication with the Railway authorities, carefully consider and report, with reference to paragraph 7 of the Proceedings of the Government of India, on the suitability or otherwise of the rules recommended for adoption, and, with reference to paragraph 11,* on the sufficiency of the establishment of Accountants proposed. He will also submit his observations on such other portions of the papers now communicated as may appear to him to demand notice.

* See also paragraph 18 of Colonel Dickens' letter.

(True Extract.)

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

To the Consulting Engineer for Railways.
„ Controller of Public Works Accounts.
„ Financial Department.
„ Accountant General.

Exd. T. O'Connor.

N. 658. A
Government of India.

Public Works Department.

Account.

The Secretary to the Government of Madras,
Public Works Department,
Railway Branch.--
Trinida, 23rd July 1866.

Sir,

will be distributed
for 6 copies

In forwarding a copy of Resolution N. 642 of this date regarding the final measures proposed for effecting the complete introduction of the appropriation audit of guaranteed railways, I am now to forward a copy of Mr. Kellner's report on the accounts of the Madras railways, and to communicate the following remarks on the points which appear to require special notice in the application of this measure to railways in Madras. I am at the same time to reply to the proposals regarding the establishment required, contained in your letter

No 803 dated 10th March 1866.

2. And first I am to draw attention to the details & particulars in the accounts of these railways which appear susceptible of improvement, or wherein alterations of procedure would seem to be desirable, in order to render a systematic audit practicable and easy.

3. Madras Railway.
Omission of cost of English stores from the annual estimate. This omission should no doubt be rectified for the future in the manner proposed.

Para. 2 of Mr. Kellner's report.

4. Proposal to appoint an independent auditor and a Chief Accountant. If the Chief Auditor is to audit the whole accounts of the railway, such an appointment would prove it may be hoped very desirable. But the proposal is coupled with the proportion that his ^{should be limited to} purview only a part of the expenditure. It is stated that "as regards a considerable portion of the expenditure, the duties of payment, audit, and account are all united in the Chief Engineer," and it is proposed to continue the plan

Para. 16 of report, and annexes to Madras Government proceeding of 10th March 1866.

* para. 15 of report.

* proceedings of the meeting held at Madras confirmed by Madras Government.

as "the present arrangement is admitted on all hands to work well, and Mr. Kellner had seen for himself that the accounts of the Engineer department were kept in a clear and satisfactory manner; he would not therefore urge any immediate change".

5. The Governor General in Council is strongly of opinion that the expenditure of a great disbursing department, like that of the Chief Engineer requires to be subjected to a detailed audit of an independent officer of the Company, to the full as much as any other part of the expenditure. From the estimates for 1866/67 it appears that the expenditure on construction is 60 lakhs out of a total expenditure of 86½ lakhs.

6. While therefore the Governor General in Council concurs in the proposal to appoint an independent auditor, and sanctions the change being made if agreed to by the Board of Directors, His Excellency in Council considers it to be an essential condition that the auditor's scrutiny should

should be exercised in the same degree over all the expenditure of the Company.

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8. Employment of other Banks than the Bank of Madras. The report explains that the advances received from Government are placed in the Oriental Bank. This practice should beyond doubt be stopped, and the Company required to bank solely with the Bank of Madras. para: 14 of report

9. Purchase of stores. The latter part of this para describes what appears to be an unnecessary
= necessary
para: 25

= necessary arrangement of bills for stores being passed¹³ by the Consulting Engineer before payment is made, involving a check of a kind which may more advantageously be exercised by the responsible officers of the Company. It may be hoped that by adoption of the system of authorizations in force in Bengal, this may be given up, it may after this be considered an unnecessary interference with the executive business of the Company.

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11. Para: 30 describes a defective system of the locomotive store department. The materials used not being priced, the value of the work turned

turned out by the department cannot be ascertained.

Priced store accounts should no doubt be introduced.

12. The supervision of the reform of the store accounts of this railway will be an important part of the duties of the Examiner, and it is hoped they will be at once entered on.

13. Great Southern of India Railway - See paras. 42-52
accounts of this railway were examined by Mr. Trotter, Deputy Controller, who accompanied Mr. Kellner. It is to be inferred from his report, and Mr. Kellner's remarks thereon, that the state of the accounts is defective in many important respects.

14. The agent combines also the functions of Chief Accountant and Storekeeper, and Mr. Kellner recommends that an independent auditor should be appointed, with full control over the accounts in all departments. This appointment seems a highly desirable one; the expenditure on this line, 20½ lakhs

Year

Estimate for 1866-67	
Construction	18,32,000
Revenue	2,25,000
Residues earnings	20,57,000
	1,50,000

year, seems quite sufficient to warrant the outlay, and the Madras Government, if it concurs in this view, is invited to make a proposal to the Secretary of State for introducing this reform at once.

15. There remains to consider the action to be taken for completing the introduction of the new audit.

16. The Madras Government have already appointed Lieutenant Filgate R.E., the Deputy Controller of Public Works Accounts, provisionally to the duties of audit, with the title of Deputy Consulting Engineer. Lieutenant Filgate is described as having aptitude for accounts, and the appointment is confirmed, subject to approval of the Financial Department. The Governor General in Council requests however that the designation of the appointment may be "Examiner of Railway Accounts" instead of "Deputy Consulting Engineer".

17. As regards salary, the Madras Government

Government have passed 400/- staff to him provisionally, and leave it to the Government of India to say whether the salary should be gradually increased to 600/-. The proposal made in the Accountant General's note, and approved by the Government of India, to give the examiner 500/- after 2 years approved service will therefore probably meet the views of the Madras Government.

18. It appears that the Madras Government contemplate that the examiner shall audit the accounts of both railways unaided. It seems questionable whether an accountant will not be required in addition, especially when the accounts of the Madras Irrigation Company are taken up, but the experience of a few months will be able to decide this point, and of course the appointment need not be made till the Madras Government finds it necessary.

19. The reductions made in the Consulting Engineer's office of Rs 195 a month are approved. It is proposed to increase the pay of the head clerk of the office from 350/- to 400/- the addition being a personal allowance. The Governor General in Council agrees to this, subject to final orders in the Financial Department.

I have the honour to be,
Sir,
Your most obedt. Servt.,

Wm. L. Coll. A. M.,
Secy to the Govt. of India.

W.

Nov: 23^d Aug¹⁰ / 66 du l^r 529

2694

READ again the following papers:—

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Railways at Calcutta.

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Note by Accountant General, Public Works Department, dated 22nd June 1866, on
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RESOLUTION.—The Governor General in Council observes with much satisfaction the progress made towards the introduction of an appropriation audit of Railway expenditure throughout India, as described in the foregoing papers.

2. The new system was commenced, as regards the Railways in Bengal, in the beginning of the year 1865; it has now been extended to Bombay and Madras from the beginning of the current year, with the concurrence and approval of the Governments of those Presidencies, and of all the officials connected with the different Railways.

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6. The principal points in which the system, as provisionally established, will be affected by the proposed new rules are as follows:—

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important condition. So long as the audit of the Government Examiner (and, where there is such an Officer, of the Railway Auditor) is limited to only a part of the accounts, the measure introduced must needs be imperfect.

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11. The opinions of the different Governments concerned will now be requested as to the sufficiency or otherwise of the establishments of Accountants proposed, and on receipt of their replies the necessary application will be referred to the Financial Department.

12. A separate letter will be addressed to each Government on the points in the accounts of the Railways under their supervision which appear to call for special notice with reference to the remarks in Section II. of the Accountant General's Note.

13. In conclusion, the Governor General in Council desires to record the satisfaction with which His Excellency in Council views the introduction of the important change now carried out. The success with which it has been accomplished has been in great measure due to the hearty co-operation afforded by the Governments concerned, and the Government and Railway officials acting under them. Much commendation is due to Mr. Kellner for the tact and ability with which he has conducted the business entrusted to him, and secured the concurrence of all parties concerned in the proposals brought forward.

ORDER.—Ordered that a copy of the foregoing Resolution, together with the First Section of the Accountant General's Note, be forwarded to the Governments of Madras, Bombay, Bengal, and the Punjab, for the purpose set forth in the foregoing Resolution, and to the Government of the North-Western Provinces, and Chief Commissioner of the Central Provinces, for information.

Also, that a copy be forwarded to the Financial Department, for information, and for consideration of the proposed Establishment of Examiners in Madras and Bengal, and with remark that a further reference will be made subsequently regarding the Accountants, when the replies of the Local Governments are received. The consideration of the Financial Department is also desired regarding the proposed alteration in the mode of adjusting the advance accounts in the books of the Accountant General, Civil Department, and regarding the proposed Returns to be furnished by him to the Consulting Engineer. (Rule XXXIX.) These are already supplied to the Accountant General, Public Works Department.

Also, to the Accountant General, Public Works Department, for information and guidance, and for communication of paragraph 13 to Mr. Kellner.

Ordered also, that these proceedings be reported to the Secretary of State.

W. D. D. D.
Lieut.-Col., R. A.,
Secretary to the Govt. of India.

3/
The Secretary to the Government of Madras
P. W. Department
Railway Branch.
10/12/43

25

Public Works Department.

no. 2674

PROCEEDINGS of the MADRAS GOVERNMENT

Under date the 23rd Oct 1866
Read the following.

From the Secretary to the Government
of India Public Works Department

(Heie enter No. 652A dated 23rd July 1866)
(H. E. 18642A dated 23rd July 1866)

From S. S. S.

These papers will be
communicated to the Com-
missioner Engineer for Railways
with reference to G. O. No 802
d/10 March 68.

The omission noticed
in Para 3 of Col: Dickens'
letter should be rectified
in future in the manner
indicated by Mr. Kellner.

It will be observed
that in Paras 4 to 7, the
Government of India, in
sanctioning the appointment
of Chief Auditor subject to
the approval of the Board
of Directors, express strongly

PUBLIC WORKS DEPARTMENT.

Account
23215

To
Honble Secretary to the Government of India
Public Works Department
Railway Branch

No. 652A.

Dated 23rd July 1866.

Received S. S. S.

Government Audit of the Accounts of Guaranteed
Railways.

232674-2320 dated 1/66.

C. 1052 dated 1866-02-17

the opinion that the audit
of that officer should not,
as contemplated, be con-
fined to only a portion
of the expenditure of the
Railway Company. But,
to prevent the anomaly
of combining in the same
hands both executive and
financial control, should
embrace ^{the expenditure} ~~only~~ that of
the Chief Engineer's Depart-
ment, ^{also. The Government of India further remarks} and that the ap-
pointment of a separate
Chief Accountant would appear
to be of questionable utility.
The Comr. Engr. will place
himself in communication
with the Railway authorities
on these matters, and submit
their views with such observations
as he may himself desire
to offer on the objections urged

by the Govt. of India
The Comr. Engr.
will, with reference to the
remarks in Paras 13 & 14,
and in consultation with
the Railway officials, ^{state} his
opinion on the question of
appointing an independent
Auditor of the Accounts of
the Great Southern of India
Railway.

Lt. Tilgates' official
designations will, as ^{desired} suggested
in Para 16, be altered to
"Examiner of Railway Ac-
counts"

It will be observed
from P. 10 of the Pro. of
the Government of India to
642 A that the scale of
Staff salary which has
been recommended to the
Financial Department

for the Examiners at the different Presidencies is Rs 400, rising to 500. per mensem after two years' approved service, with the presidency house rent of rank.

Attention is drawn to the remarks in Paras 9 to 12 & to the intimation in Para 19 of Col. Dickens' letter.

The Consulting Engineer will, in communication with the Railway authorities, carefully consider and report, with reference to Para 7 of the Pro. of the Govt. of India, on the suitability or otherwise of the rules recommended for adoption, and with reference to P. 11, on the sufficiency of

P. W. 186 . Department.

No.

PROCEEDINGS OF GOVERNMENT.

Dated

* See also P. 18 of Col. Dickens' letter.

the re-employment of Accounts proposed. He will also submit his observations on such other portions of the papers now communicated as may appear to him to demand notice.

C. B.

To The Secy. Genl. for Railways with
Controller
Financial Dept.
Secy. Genl. for Railways
27 August 1860

30

P. W. 1867. Department.

Proc. of Govt for August
No. 21/4

PROCEEDINGS OF GOVERNMENT of Madras

Dated 23rd August 1866.

Let 4239/66

527-528

Passing orders on Proceedings
of the Government of India
relative to the final measures pro-
posed for effecting the complete
introduction of Appointments
and of Quarantined Pass.

527-528