M.R.O. 1—[illegible]

(1) Number of pieces ——————————

(2) Date of repair ——————————

(3) Initials of the Reference ——————————

MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 802-803 Press Mis-
220 223
Dated 10—3. 1866.

Not to be folded or roughly handled

Read the following papers :—

No. 220. From the Acting Consulting Engineer for Railways, to the Secretary to Government, Department Public Works, dated Madras, 1st March 1866, No. 101.

1. I have the honor, with reference to paragraph 5 of the Order of Government of the 23rd instant, No. 646, to submit a tabular statement of the present and proposed scale of salaries for the Officers and Establishment of the Consulting Engineer's Department.

2. The reduction in the present Establishment has been made in consultation with Mr. Kellner, the Assistant Accountant General, Public Works Department.

3. The net increase for which the sanction of the Government of India will have to be obtained is Rupees 255. As however funds for the purpose can be made available from the Budget allowance for 1865-66, on account of compensation for land, I request that the Controller of Public Works Accounts may be authorized to pass the increase pending the receipt of the sanction of the Government of India.

4. Provision will have to be made for 1866-67, and I shall send in, at an early date, a revised estimate on account of State control of Railway expenditure.

5. I shall also submit the necessary application for the gratuities which will have to be given to some of the Office servants, who will be put out of their situations by the reduction above alluded to.

No. 221. From the Acting Consulting Engineer for Railways, to the Secretary to Government, Department Public Works, dated Madras, 1st March 1866, No. 104.

1. Referring to the Orders of Government and other correspondence noted in the margin,* I have the honor to submit, for the information and approval of Government, the Proceedings of a Meeting which assembled to-day at this Office, to consider in detail the changes which seemed necessary to the introduction into this Presidency of the new system of Appropriation Audit, following upon the authorization of expenditure by the Consulting Engineer and the Agent, at periodical official meetings, and to obtain the views thereon of the principal officers of the Railways.

* G. O. No. 382, 3rd July 1865.
Do. ,, 2,709, 14th September 1865.
Do. ,, 3,367, 10th November 1865.
To Government, No. 83, 21st February 1866.
G. O. No. 646, 23rd February 1866.

2. The subject was fully and freely discussed, and the resolutions embodied in the Proceedings were arrived at unanimously.

3. In laying the enclosed report before Government, I desire to place on record my sense of what I owe to Mr. Kellner for the ability, intelligence, and courtesy shown by him in introducing the new system of audit into this Presidency.

Proceedings of a Meeting held at the Consulting Engineer's Office, Madras, on the 1st March 1866.

PRESENT.

Major J. H. M. Shaw Stewart, R. E., Consulting Engineer to Government.
Major H. N. D. Prendergast, R. E., V. C., Deputy Consulting Engineer.
Lieut. A. J. Filgate, R. E., Deputy Consulting Engineer.
Mr. R. B. Elwin, Agent and Manager, Madras Railway.
,, W. S. Betts, Agent and Traffic Manager, Great Southern of India Railway.
,, W. G. Smart, Chief Engineer, Madras Railway.
,, W. B. Wright, Locomotive Superintendent, Madras Railway.
,, F. Church, Chief Accountant, Madras Railway.
,, Mr. J. W. Bradley, Accountant, Engineer Department, Madras Railway.
,, G. W. Kellner, On deputation by the Government of India.

Mr. Kellner stated that the main object of his deputation to this Presidency, in connection with the Railway accounts, was to introduce the new system of Audit, about which the gentlemen present had ample information in his reports on the Bengal and Bombay Railway Accounts. His report on the Madras Railway accounts was under preparation, and would be circulated as soon as possible. But as the Consulting Engineer to the Government, and the Agent of the Madras Railway were about to leave Madras, on an inspection of the line, and were not likely to return for some weeks, the present meeting had been convened to obtain the views of the principal officers of the Railway on the proposed changes.

The subjects embraced in his (Mr. Kellner's) enquiry were

1st.—The provision of funds to the Railway.

2nd.—The methods followed by the Railway Officers in checking and bringing to account the expenditure.

3rd.—The financial control exercised on the part of the Government.

On the first point he had scarcely any change to recommend. The requirements of the various departments of the Railway were supplied on regularly drawn pay abstracts, after audit by the responsible officers of the Railway and by the Consulting Engineer. The only exceptions to this rule were the Engineering and Locomotive Departments, where advances were required to prevent delay and embarrassment, but in every case the advances were covered by audited pay abstracts within a month or two of their payment. The arrangement was altogether as satisfactory as the Government could desire, and the only change that seemed advisable at present was, with reference to the growing importance of the North-West line, to provide a special Revenue Advance Fund for that line, and thus avoid also the complications which now occur from the practice of meeting the requirements of both lines from one common (and inadequate) fund.

Some arrangement of this sort would probably also have to be made for the Great Southern of India Railway.

On the second point, viz., the check and accounting of expenditure by the Railway Company, the system generally was satisfactory. The accounts were somewhat behind hand, owing partly to an existing arrangement by which the Books of the Railway Company are made to wait upon the audit of the Consulting Engineer. This will, however, be avoided by the new system of Appropriation Audit, which will follow the record.

There were also a few points in which the accounts might be modified. These being of a purely technical character, need not be brought forward on the present occasion, but the Account officers of the Railway would have the opportunity of discussing them in connection with Mr. Kellner's report before it was printed.

One important change seemed necessary in any case, and more especially in view of the new appropriation audit on the part of Government, viz., the delegation of independent powers of audit to the Railway Chief Auditor (as has been done on other Indian lines) and placing the accounts under a Chief Accountant. This was a matter which might be usefully discussed at the present meeting.

Immediately connected with this subject, was the present rather anomalous constitution of the Engineer Department of the Madras Railway. All authorities were agreed against the combination of executive and financial control in the same hands, but in the case of the Engineer Department, the Chief Engineer not only manages the construction expenditure, but audits it, and makes up the accounts, giving the final results only to the Chief Accountant, for incorporation in the Railway Company's books; so that practically there was no check upon the accounts outside of the Engineer Department, save a comparison of the expenditure with the estimates and authorizations. As on other lines, the accounts of every Department should be subject to a regular audit by the Chief financial officer of the Railway, and it would be well if this rule were always followed. The present arrangement, however, was admitted on all hands to have worked 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, but the subject was well deserving of the consideration of this meeting.

The accounts of the Stores and Locomotive Departments should also be under the immediate control of the Chief Auditor. Those of the Locomotive Department and Workshops were rather behind hand, and seemed to require especial and minute attention.

The mode of apportionment of expenditure between Capital and Revenue, had been fully examined and noted, but as the whole subject was at present under consideration of the Government of India, it was unnecessary to discuss the subject, except perhaps to take the sense of this Meeting as to the practice followed by the Madras Railway, in apportioning charges common to Capital and Revenue according to the expenditure on each, respectively, during the half year.

The subject of the accounts to be rendered to the Consulting Engineer by the Railway Company, was intimately connected with the financial control to be exercised on the part of Government, and it is here that radical changes will have to be made. The new system, already adopted in Bengal and Bombay, had been so fully developed in the reports on the accounts of the Railways in those Presidencies, which had been seen by all the gentlemen present, that it would suffice to state briefly the more prominent points, in order to obtain the sense of the Meeting on the proposed changes.

One effect of establishing the Government Audit upon the Railway Company's Books, would be to obviate the numerous returns which are now made to the Consulting Engineer, and which ensure no actual check, nor lead to any practical result. The proposed monthly account, verified by the Government Examiner with the Railway Company's Books, would set forth the whole of the receipts and expenditure of the Railway, and the audit on the books and original vouchers cannot fail to be more effective than on the present returns, which do not accurately represent the actual course of expenditure. The check of the Consulting Engineer at present, stops short at authorization—a very important function which he will still retain, but the actual expenditure by the Railway Company (of which he has at present no knowledge) will be audited by the Government Examiner on the books and vouchers from day to day. The check on behalf of the Government will be really more complete and effective, whilst much unnecessary labor will be saved both to the Railway Company, and the Consulting Engineer's office. Mr. Kellner described the process of audit, the proposed monthly account current, and the forms which it would supersede; the rules adopted at Bombay were then read and discussed *seriatim*.

The Meeting agreed unanimously to the following resolutions,

1. That an application be made, through the Consulting Engineer to Government, for a special advance fund for the North-West Line of the Madras Railway.

2. That a recommendation be submitted to the Government, through the Consulting Engineer, for the appointment of Mr. Church as Chief Auditor, and of Mr. Thomson as Chief Accountant.

3. That as the existing arrangement for managing the accounts of the Engineer Department had worked satisfactorily, no change be made for the present, it being understood that the Government Examiner will audit the accounts of the Engineer, as well as of other Departments.

4. That the expenditure on Construction and Revenue being a fair measure of the work done, during the half-year, the apportionment of expenditure, common to Capital and Revenue, should continue to be made on this basis.

5. That the principle of the new system of audit having been, from the first, accepted by the Agent and Officers of the Madras Railway, and the rules for its working having been now fully explained, this Meeting concur in adopting the system, as calculated to simplify work, reduce the cost of clerical labor, and expedite the preparation of the accounts, without impairing, but rather strengthening, the check on the part of Government.

6. That the following rules for the regulation of the Appropriation Audit be adopted, subject to the confirmation of Government.

I. It will be the duty of the Government Examiner, in the first place, to check the Cash Book for Construction and Revenue Account; to compare each record of payment with the voucher on which it is founded, Forms D and M being accepted in the case of Construction and Maintenance; to see that the voucher bears evidence of examination and allowance by the Railway Chief Auditor; that it is endorsed with a full discharge by the payee; that it is in every respect sufficient to warrant its being carried to account as a final payment; and that the amount is within the authorizations and Budget limits. Failing any of these conditions, the Examiner will note the item, and his grounds of objection in a diary (see Form annexed), which he will submit to the Consulting Engineer weekly or daily, as may be required.

II. Where objection is taken on the ground of some mere informality, or of want of vouchers, it will be sufficient for the Examiner to communicate with the Chief Auditor, and to pass the item on the objection being removed. In all other cases, or in the event of any difference of opinion between the Examiner and the Railway Officers, reference will be made to the Consulting Engineer, and the Agent of the Railway Company.

III. It will be the duty of the Examiner, without questioning the authorizations on which expenditure is incurred, or interfering with the detailed audit of the Chief Auditor, to note in his diary any item of charge which, although satisfying the conditions above described, may yet manifestly contravene any recognized principle or established rule.

IV. The Examiner will, in like manner, compare the returns of the Stock expenditure on works, and see that the total Cash and Stock outlay on each work is carried, month by month, to the proper heads of service in the Journal and Ledger, and also exhibited in the Register of works.

V. In the case of advances, or payments, other than final payments, the Examiner will see that a debit is raised against the proper personal account, and that such personal account is not discharged except on production of sufficient vouchers.

VI. It will be his duty constantly to keep in view these personal and suspense accounts, and to see that the adjustments are correctly made.

VII. Having thus checked the payments in the Cash Book, he will follow the entries into the Journal, Ledger, and Balance Sheet, and here it will be his especial duty to see that a proper distinction is maintained between Construction and Revenue charges.

VIII. The receipt side of the Cash Book will also be checked by the Examiner. He will note that the Government advances for Construction, of which the Consulting Engineer will receive monthly lists from the Civil Department, and Cash receipts of every kind, are duly brought to account.

IX. He will see that the traffic earnings are properly brought to account, and that the Cash receipts are duly paid into the Bank of Madras, or any other Government Treasury, to credit of Government.

X. The Examiner will see that sums realized from sales of Stores are duly credited on the Books, and paid over to the Government, to the credit of Capital or Revenue Account, as the case may be.

XI. He will see that all Stores imported from England, or purchased in India, are duly brought on charge on the Store Ledgers. The credits for imported Stores will be checked with the invoices. The credits for Stores purchased in India will be checked with the relative debits in the Cash Book.

XII. The Examiner will see that the charge for carriage of Stores along the line for Construction purposes is credited to Revenue and debited to Construction Account.

XIII. The Examiner will follow the entries on account of expenditure of Stores from the Store into the principal Ledger, and see that the charges are properly distributed against Construction and Revenue Accounts.

XIV. At the conclusion of each month, a brief summary (in the annexed form) of the receipts and payments of the Railway Company, for the month, will be prepared by the Railway Chief Auditor, verified with the Books by the Government Examiner, and submitted to the Consulting Engineer. This summary, or monthly account, will obviate the transmission to the Consulting Engineer of Forms A, B, D, F, H, M, P, Q, and R.

XV. He will keep up a record of the account of the Madras, and Great Southern of India Railway Companies, with the Government, from returns made by the Accountant General in the Civil Department, also an account of traffic receipts and working expenses, month by month, and any other statistical information that may be required. These returns will be copied into a book to be placed on the table of the Consulting Engineer.

XVI. All communications between the Government Examiner and the subordinate officers of the Audit and Accounts Department of the Railway Companies, will be made through the Chief Auditor, or, in the absence of that officer, through the Departmental officer next in authority.

7. That a recommendation be submitted to Government, through the Consulting Engineer, for a Revenue Advance Fund on account of the Great Southern of India Railway.

8. That the Government Examiner of Railway Accounts proceed to Negapatam once a quarter to examine the accounts of the Great Southern of India Railway, in accordance with the rules now adopted.

The Consulting Engineer then mentioned that Mr. Filgate had been appointed Examiner of Railway Accounts by the Government of Madras, and had already entered upon his duties. He proposed, and it was unanimously agreed, that these Proceedings be submitted to the Government of Madras, with the recommendation that the new system take effect from the 1st January 1866.

J. SHAW STEWART, Major, *Royal Engineers*
Acting Consg. Engr. to the Govt. of Madras, President.

MADRAS RAILWAY.

Summary of Receipts and Expenditure for the month of 186 .

Receipts.	Revenue.	Construction.	Total.
	RS. A. P.	RS. A. P.	RS. A. P.
Balance brought forward...			
From Government. { Cash Advances			
From Government. { Bills			
Proceeds of sale of Stores			
Advance re-paid			
Fines			
Re-funds			
Traffic Earnings... { Coaching			
Traffic Earnings... { Merchandize			
Electric Telegraph			
Other Receipts			
Total...			

Payments.			Revenue.	Construction.	Total.
	Establishment.	Contingencies.	RS. A. P.	RS. A. P.	RS. A. P.
Agency Department ...					
Audit ,, ...					
Accounts and Cash Dept....					
Stores ,, ...					
Engineering ,, ...					
Locomotive ,, ...					
Carriage and Waggon ,, ...					
Electric Telegraph ,, ...					
Traffic ... ... ,, ...					
Stores and Materials purchased					
Advances ... { To Chief Engineer					
Advances ... { To Locomotive Superintendent ...					
To Government... { Proceeds of sale of Stores ...					
To Government... { Gross Traffic Earnings ...					
EXPENDITURE ON WORKS.					
Construction.					
Earthwork					
Rock-cutting					
Brickwork and Masonry					
Stations					
Permanent Way					
Fencing					
Miscellaneous					
Bungalows					
Maintenance of Way and Works					
Superintendence...					
Locomotive Construction Account					
Maintenance.					
Earthwork					
Rock-cutting					
Brickwork and Masonry					
Stations					
Permanent Way					
Fencing					
Miscellaneous					
Bungalows					
Maintenance of Way and Works					
Superintendence					
Locomotive Running Account					
Balance carried forward...					
Total ..					

Proceedings of the Madras Government, Public Works Department, 10th March 1866.

No. 222. ORDER THEREON, 10th March 1866, No. 802.

RAILWAY, No. 25.

1. With the first of the letters above recorded the Consulting Engineer for Railways submits a statement of the financial results of the arrangements which were approved of in the Order of the 23rd ultimo, No. 646, for introducing the new system of Appropriation Audit for Railway expenditure into this Presidency.

2. Major Shaw Stewart has omitted to enter the Military allowances of the Deputy Consulting Engineers for Railways. These will now be added, and the statement will be forwarded to the Government of India, with the recommendation of this Government that the excess of Rupees 450-12-0 per mensem over the cost of the present establishment may receive early sanction.

3. The Controller of Public Works Accounts is authorized, in anticipation of the approval of the Government of India, to pass the revised scale of establishment from the 1st March 1866, Lieutenant Filgate's salary being admitted from the date on which he assumed charge of his new Office.

4. Adverting to paragraph 3 of the Order above quoted, His Excellency the Governor in Council has resolved, on full consideration, to recommend that a Staff salary of Rupees 400 per mensem be assigned to the Deputy Consulting Engineer for Railways in charge of the Appropriation Audit, and to leave it to the Government of India to decide whether the annual increase of Rupees 50, recommended by the Consulting Engineer, shall be granted till the salary of the post reaches a maximum of Rupees 600.

5. With the second letter, Major Shaw Stewart submits a copy of the Proceedings of the Committee of Government and Railway officials which assembled on the 1st instant to consider the measures which, in communication with those Officers, Mr. Kellner recommended to be adopted to give effect to the new system. The Government approve of those Proceedings, and sanction the adoption of the rules, which were unanimously agreed to, for the regulation of the Appropriation Audit. A copy of the Committee's Proceedings and of the Consulting Engineer's letter giving cover to them will be forwarded to the Government of India.

Ordered that the following letter be sent:—

(Here enter No. 803, dated 10th March 1866.)

(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.

Fsd S. T. Augustin.

9

PUBLIC WORKS DEPARTMENT.
FORT SAINT GEORGE,
10*th March* 1866.

No. 803.

No. 223.
To

THE SECRETARY TO THE GOVERNMENT OF INDIA,
PUBLIC WORKS DEPARTMENT.

SIR,

RAILWAY, No. 26.

To Government of India, No. 2,710, dated 14th September 1865.
From do. No. 905, A. 13th October 1864.

G. O. 23rd February 1866, No. 646.
" 10th March " " 802

1. With reference to previous correspondence, I have the honor, under orders of His Excellency the Governor in Council, to transmit for the information of the Government of India copies of the papers marginally noted containing a complete record of the measures which have been sanctioned by this Government for the introduction of the new system of Appropriation Audit for Railway expenditure into this Presidency.

2. In my letter of the 14th September last, No. 2,710, it was proposed, chiefly on the ground of economy, to combine the duties of the new Appropriation Audit with those pertaining to the office of the Uncovenanted Assistant to the Consulting Engineer; but, on further consideration, and for the reasons explained in the correspondence now submitted, this Government came to the conclusion that it was not desirable to carry out this arrangement, and that, as it had been clearly shown by the Consulting Engineer that the proposed appropriation audit could not be efficiently performed unless an Officer could devote his whole time and attention to the labor, the appointment of an Officer exclusively to that duty was necessary.

3. Under these circumstances, and in order to take advantage of the presence of Mr. Kellner, His Excellency in Council has, in anticipation of the approval of the Government of India, appointed an Officer of Engineers under the designation of Deputy Consulting Engineer for Railways, to conduct the audit of the Railway accounts, so that he might have the opportunity of being thoroughly initiated into the new system by Mr. Kellner before that gentleman's departure to Calcutta. The newly appointed Officer will make periodical visits to Negapatam, at intervals of not less than three months, to inspect and audit the books of the Great Southern of India Railway.

4. In order to secure the important office now created from the frequent changes which are liable to occur in the junior appointments filled by Officers of Engineers, the Staff salary proposed to be attached to it has been assimilated to that of a third class Executive Engineer as a minimum, and this Government leave it to the Government of India to decide whether the annual increase of Rupees 50, which is recommended by the Consulting Engineer, shall be granted till the maximum of Rupees 600 is reached.

5. Although the establishment of the system of appropriation audit has considerably diminished the labor of the Consulting Engineer's Office, and has

made it practicable to reduce the number of employés on that establishment by five, who receive salaries amounting in the aggregate to Rupees 195, the appointment of an additional Deputy Consulting Engineer and the grant of a personal allowance of Rupees 50 per mensem to the Consulting Engineer's Uncovenanted Assistant,* in addition to that which was sanctioned by the Government of India in their Financial Secretary's letter No. 1,477 G., dated 30th December 1862, have caused a net increase of Rupees 450-12-0 per mensem. As this additional personal allowance has been given in consideration of the strong recommendations which have repeatedly been made on behalf of Mr. Hamnett, and in acknowledgment of his having zealously and ably served the Government for a period of more than twenty years, coupled with the fact that he has no prospect of advancement in his present position, where his services are of the utmost value, this Government confidently hope for the cordial approval of the Government of India.

* Mr. G. Hamnett.

6. As the Government believed that it was the desire of the Right Honorable the Governor General of India in Council that the new system of audit should be established with as little delay as possible, they have approved of the measures for its introduction which have been proposed by Mr. Kellner, and unanimously agreed to at a Meeting of the Government and Railway officials held on the 1st instant, and have authorized the Controller of Public Works Accounts to pass from that date the "proposed" scale of establishment, and, in now reporting the matter, I am to request that their Proceedings may receive the confirmation of the Government of India, and that early sanction may be accorded to the excess of Rs. 450-12-0 per mensem, noticed in the preceding paragraph.

I have the honor to be,
Sir,
Your most obedient and humble servant.
(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

Exd. S. T. Augustin.

PUBLIC WORKS DEPARTMENT.—Statement of Increases to the Establishment of the Consulting Engineer for the Madras Railways, recommended for the sanction of the Government of India.

Year.	Charges. Ordinary.	Extra-ordinary.	Total.
.....	.....	.....	.....

No.	Extract from Home Department of Government of India. Date.	Office to which the proposition refers.	Nature of Charge.	Present Scale.				Proposed Scale.				Proposition. Permanent. Increase per month.	Proposition. Permanent. Decrease per month.	Proposition. Temporary. Increase per month. Period.	Proposition. Temporary. Decrease per month. Period.	Casual or Extraordinary.	Grounds of proposition.	Local Government's recommendation.	Orders of the Government of India. Home Department. Remarks.	Orders of the Government of India. Financial Department. Remarks.	Orders of the Government of India. Financial Department. Orders.
					Rs.	A.	P.		Rs.	A.	P.	Rs. A. P.	Rs.								
		Consulting Engineer for Railways.	Consulting Engineer ...		2,000	0	0	Consulting Engineer	2,000	0	0										
			Deputy Consulting Engr. ..		600	0	0	Deputy Consulting Engr. ...	600	0	0										
			Military allowances...		293	10	0	Military allowances...	293	10	0	400 0 0									
									400	0	0	195 12 0									
								2nd Deputy Consulting Engr.	195	12	0										
								Military allowances...													
					2,893	10	0		3,489	6	0	595 12 0									
			Uncovenanted Assistant ...		350	0	0	Uncovenanted Assistant ...	400	0	0	50 0 0									
			Accountant		100	0	0	Accountant	100	0	0										
			Do.		60	0	0	Do.	60	0	0										
			Do.		50	0	0	Do.	50	0	0	.....	50					*Vide* letter to the Government of India, No. 803, dated 10th March 1866.			
			Do.		50	0	0	Do.	.....												
			Do.		40	0	0	Do.	40	0	0	.....	30								
			Do.		30	0	0	Do.	.....			.....	25								
			Clerk and Record-keeper ...		25	0	0	Do.	.....												
			Clerk		70	0	0	Do.	70	0	0	.....	50								
			Do.		50	0	0	Clerk and Record-keeper ...	.....			.....	40								
			Draughtsman		40	0	0	Clerk	.....												
			Moochee		35	0	0	Do.	35	0	0										
			6 Peons at 7 Rs. each ...		10	8	0	Draughtsman	10	8	0										
			2 Lascars at 7 Rs. each ...		42	0	0	Moochee	42	0	0										
			1 Sweeper		14	0	0	6 Peons at 7 Rs. each... ...	14	0	0										
					5	0	0	2 Lascars at 7 Rs. each ...	5	0	0										
					971	8	0	1 Sweeper				50 0 0	195								
			Total ...		3,865	2	0	Rupees...	826	8	0										
								Total...	4,315	15	0	645 12 0	195								

Fort Saint George,
10*th March* 1866.

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

Extract from the P. W. Dept^t Government of India

No. Date

Office to which the proposition refers.

Railway Department.

Proposition

Nature of Charge	Present Scale	Proposed Scale	Permanent Increase per Month	Permanent Decrease per Month	Temporary Increase per Month	Temporary Decrease per Month	Grounds of Proposition	Local Government's recommendation	Orders of the Govt. of India	P. W. Fin^l Dep^t	Dep^t Dep^t	Remarks	Remarks	Orders.
			Rupees	Rupees	Rupees	Rupees								
Consulting Engineer	2000	Consulting Engineer												
Dep^ty Cons^l Eng^r	600	Dep^ty Cons^l Eng^r												
	2600	2 Dep^ty Cons^l Eng^rs												
Uncovenanted Assistant	800	Uncovenanted Assistant												
Accountant	150	Accountant												
Do	60	Do												
Do	50	Do												
Do	50	Do												
Do	40	Do												
Do	30	Do												
Do	25	Do												
Clerk and Record-Keeper	70	Clerk and Record-Keeper												
Clerk	50	Clerk												
Clerk	40	Clerk												
Draughtsman	35	Draughtsman												
Moochee	10 8	Moochee												
6 Lascars at 7 Rs each	42	6 Lascars at 7 Rs each												
2 Lascars at 7 Rs each	14	2 Lascars at 7 Rs each												
1 Sweeper	5	1 Sweeper												
Rupees	971 8	Rupees	826 8	50	450	195								
Total Rupees	3571 8	Total Rupees	3315 14	61512										

Madras
1st March 1865

For carrying out the new System of Appropriation Audit of Railway Expenditure as explained in Sec^t A Consulting Eng^r Letter No. 83 dated 21st February 1866.

Mean Merrent Major RE
Act^g Cons^l Eng^r for Railways

Press No. 3428, G. M.—29-1-65—50.

Railway Department. CONSULTING ENGINEER'S OFFICE,

No. 101.

FROM Major P. H. M. Shaw Stewart
M.P. Consulting Engineer for Railways,

To

THE SECRETARY TO GOVERNMENT,
Department Public Works,
Fort Saint George.

SIR,

I have the honor, with reference to paragraph 5 of the order of Government of the 23d. Instant, No. 646, to submit a tabular Statement of the present and proposed scale of Salaries for the Officers and Establishment of the Consulting Engineer's Department.

2. The reduction in the present Establishment has been made in consultation with Mr. Kellner, the Asst. Acct. Genl. P. W. D.

3. The net increase for which the sanction of the Government of India will have to be obtained is Rs. 255. As however funds for the purpose can be made available from the Budget allowance for 1865-66 on account

Enclosed in a letter from the Consulting Engineer for Railways to the Secretary to Govt. P. W. Dept. dated 6th Feb. 1865 No. 101.

Tabular Statement.

account of compensation for land I request that the Controller of Public Works Accounts may be authorized to pass the increase pending the receipt of the sanction of the Government of India.

4. Provision will have to be made for 1866-67, and I shall send in, at an early date, a revised Estimate on account of State Control of Railway expenditure.

5. I shall also submit the necessary application for the gratuities which will have to be given to some of the office Servants who will be put out of their situations by the reduction above alluded to.

I have the honor to be,
Sir,
Your most obed. Servant
J. Mein Stewart Major RE
Acting Cons. Ed. Engineer
for Railways

Madras
1st March 1866

Copy in a Letter to England
Sp/Ur: Immed 1866 No 16.

P. W. 1866 & Depr

RAILWAY DEPARTMENT.

From Acting C. E. 1867
The Consulting Engineer for Railways,

To
The Secretary to Government,
Department Public Works.

Dated 1st/11 } March 1866.
Received 3d }

No. 101.

Enclosures. 1

124

Submitting a tabular statement of the present and proposed scale of Salaries for the Officers and Establishment of the Consulting Engineer's Office.

Nos. 802-1803 - 10th March/66

No 220.

2. 7th March 1866 D. 16th

MADRAS RAILWAY.

SUMMARY OF RECEIPTS AND EXPENDITURE FOR THE MONTH OF

186

RECEIPTS.	Revenue. Rs.	A.	P.	Construction Rs.	A.	P.	Total. Rs.	A.	P.
Balance brought forward...									
From Government. { Cash Advances									
From Government. { Bills									
Proceeds of Sale of Stores									
Advance repaid									
Fines									
Refunds									
Traffic Earnings { Coaching									
Traffic Earnings { Merchandize									
Electric Telegraph									
Other Receipts									
Total...									

PAYMENTS.	Establishment.	Contingencies	Revenue. Rs.	A.	P.	Construction. Rs.	A.	P.	Total. Rs.	A.	P.
Agency Department											
Audit ,,											
Accounts and Cash Department											
Stores ,,											
Engineering ,,											
Locomotive ,,											
Carriage and Waggon ,,											
Electric Telegraph ,,											
Traffic ,,											
Stores and Materials purchased											
Advances... { To Chief Engineer											
Advances... { To Locomotive Superintendent											
To Government... { Proceeds of Sale of Stores											
To Government... { Gross Traffic Earnings											
EXPENDITURE ON WORKS.											
Construction.											
Earthwork											
Rock-Cutting											
Brickwork and Masonry											
Stations											
Permanent Way											
Fencing											
Miscellaneous											
Bungalows											
Maintenance of Way and Works											
Superintendence											
Locomotive Construction account											
Maintenance.											
Earthwork											
Rock-Cutting											
Brickwork and Masonry											
Stations											
Permanent Way											
Fencing											
Miscellaneous											
Bungalows											
Maintenance of Way and Works											
Superintendence											
Locomotive running account											
Balance carried forward...											
Total...											

Press No. 3428, G. M.—20-1-66—50.

Railway Department.

CONSULTING ENGINEER'S OFFICE,

No. 104.

FROM Major P. H. M. Shaw Stewart R.E.
Consulting Engineer for Railways,

To

THE SECRETARY TO GOVERNMENT,
Department Public Works,
Fort Saint George.

SIR,

Referring to the orders of Government noted in the Margin, and other correspondence noted in the Margin, I have the honor to submit for the information and approval of Government, the proceedings of a Meeting which assembled to-day at this Office, to consider in detail the changes which seemed necessary to the introduction into this Residency of the new system of appropriation audit, following upon the authorization of expenditure by the Consulting Engr. and the Agent, at periodical official Meetings, and to obtain the views thereon of the principal officers of the Railways.

2. The subject was fully and freely discussed, and the resolutions embodied in the proceedings were arrived at unanimously.

3. In

× G.O. 382 - 3d July 1866.
Do 2709 - 14th Septr. 1866.
Do 3367 - 10th Novr 1866.
To Govt. No 83 - 21st July 1866.
G.O. No 646 - 25th July 1866.

3. In laying the enclosed report before Government, I desire to place on record my sense of what I owe to Mr. Kellner for the ability, intelligence and courtesy shown by him in introducing the new system of audit into this Presidency -

I have the honor to be
Sir
Your most obed.t Servant

Madras
1st March
1866

Major, R.E.
A.G. Committee Engineers
for Railways

Public Works Dept.
No 802

Proceedings of the Meeting of Engineers held at Madras on the 10th March 1866
Madras date - ditto

Read the following

From The Chief Engr. Engineer
for Railways

To — I have the

Sir,

With the forwarded the
the Letters above recorded the
Consulting Engineer for
Railways submitting the
remarks of the Engineers
relative to the arrangements
which they consider
necessary for the introduction
of the new system of Audit.

I have the

Sir,

Your Obt. Servt.

Copy sent to Letters to England
D/24 Inwards No 18 of 1866

P.W. 1866 Dept.
Pro. of Govt. for 1866

From

The Consulting Engineer for Railways,

To

The Secretary to Government,

Department Public Works.

Dated 1st
Received 6th } March 1866.

No. 104.

Enclosures. 2

15

Submitting the Proceedings of a Meeting, which assembled at the Consulting Engineer's office, in order to consider in detail, the changes which seemed necessary to the introduction of the new system of Audit.

A. 221.

Encl. 7th March 1866 No. 104

Encl. Nos. 802-803. 10th March 66

for Railways respondline
into this Presidency -

2nd Major Shaw
Stewart has omitted to
enter the - Military Allow-
ances of the Deputy Con-
sulting Engineers for Rail
ways - These will now be
added, and the Statement
will be forwarded to the
Government of India,
with the recommendation
of this Government that the
excess of Rs. 450-12-
per mensem over the cost
of the present establishment
may receive sanction

3rd The Controller of
P.W. Accounts is authorized,
in anticipation of the
approved

approval of the Govt
of India, to frame the
revised scale of Establish
ment from the 1st March
1866.

Adverting to para 3
of the order above quoted,
His Excellency the Governor
in Council has resolved,
on full consideration to
recommend that a staff
salary of Rs. 200 per men
sem be assigned to the
Deputy Consulting Engineer
for Railways in the column
of the Appropriation Audit,
and to leave it to the
Government of India to
decide whether the sanc-
tion of Rs.
50 per mensem

of the Consulting Engineer shall be granted till the salary of the post reaches a maximum of Rs. 600/-

With the second letter, Major Shaw Stewart submits a copy of the proceedings of the Committee of Government and Railway Officials which assembled on the 1st Instant to consider the measures which, in communication with those Officers, Mr Kellner recommended to be adopted to give effect to the new system - The Government approve of those proceedings, and sanction the adoption of the principles which were unanimously agreed to, for the regulation of the appropriation of the cost of the Committee's proceedings and of the Consulting Engineer's Letter now forwarded to the Govt of India -

To
3 The Secretary for Railways
4 " Controller
" " Financial Secretary
3 " Accountant General

Dated 15th March

Ordered that the following letter be sent
No. 803.

The Secy to the
Govt of India PWD

Sir

With reference to previous

To Govt of India - 2710
Dy - 14th Sepr 1865
From — do — 905 A. 13th Oct.

Gl. 23 Feb 1866 - Vo 646
— 15th March 1866 - 25 802
"

previous correspondence
I have the honor under the
orders of His Excellency
the Governor in Council
to submit for the in-
formation of the Govern-
ment of India copies
of the papers marginally
noted, containing a com-
plete record of the mea-
sures which have been
sanctioned by this Govt
for the introduction of the
new system of Appropriation
Audit for Railway ex-
penditure into this Presidency.

In my letter of
the 14th Sepr last, No 2710,
it was proposed, chiefly

on the ground of econo-
my to combine the du-
ties of the new Appro-
priation Audit with those
pertaining to the Office
of the Uncovenanted As-
sistant to the Consulting
Engineer; but on further
consideration and for
the reasons explained
in the correspondence
now submitted, this Go-
vernment came to the
conclusion that it was
not desirable to carry
out this arrangement,
and that, as it had
been clearly shown by
the Consulting Engineer
that

that the proposed Appropriation Audit could not be efficiently performed unless an Officer could devote his whole time and attention to the labour, the appointment of an Officer exclusively to that duty was necessary.

Under these circumstances, and in order to take advantage of the presence of Mr. Kellner, His Excellency in Council has, in anticipation of the approval of the Govt of India, appointed an Officer of Engineers under the designation of Deputy Consulting Engineer

Engineer for Railways, to conduct the audit of the Railway Accounts, so that he might have the opportunity of being thoroughly initiated into the new system by Mr. Kellner, before that gentleman's departure to Calcutta. The newly appointed Officer will make periodical visits to Vegapatam, at intervals of not less than three months, to inspect and audit the books of the Great Southern of India Railway.

In order to secure the important office now created from the frequent changes which are liable to occur in

the junior appointments filled by Officers of Engineers, the establishment proposed to be attached to it has been assimilated to that of a third class Executive Engineer as a minimum, and this Govt leave it to the Government of India to decide whether the annual increase of Rs. 50 which is recommended by the Consulting Engineer shall be granted till the maximum of Rs. 600 is reached.

Although the establishment of the system of Appropriation Audit has considerably diminished the labor of the Consulting Engineers Offices and has made it practicable to reduce the number of employés, on that establishment by five, who receive salaries amounting in the aggregate to Rupees 195, the appointment of one additional Deputy Consulting Engineer and the grant of a personal allowance of Rs. 50 per mensem to the Consulting Engineer's Uncovenanted Assistant, in addition to that which was sanctioned by the Govt of India in their Financial Secy's letter No. 1477 dated 30th December 1862,

† Mr G. Hammett.

have caused a net increase of Rs. 1,150-12-0 per. mensem. To this additional personal allowance has been given in consideration of the strong recommendations which have repeatedly been made on behalf of Mr. Hammett, and in acknowledgment of his having zealously and ably served the Govt for a period of more than twenty years, coupled with the fact that he has no prospect of advancement in his present position, where his services are of the utmost

utmost value; that Govt Government confidently hope for the cordial approval of the Govt of India.

As the Government believed that it was the desire of the Right Honorable the Governor General of India in Council that the new system of Audit should be established with as little delay as possible, they have approved of the measures for its introduction which have been proposed by Mr Kellner and unanimously agreed to at a Meeting of the Govt and Railway Officials held on the

1st

1st Instant, and have authorized the Controller of P.W. Accounts to pass fibm that date the "proposed" scale of establishment; and, in now reporting the matter, I am to request that their proceedings may receive the confirmation of the Government of India, and that early sanction may be accorded, to the excess of Rs. 450 - 12 - " per mensem noticed in the preceding paragraphs.

16/2

Dept. 15th March with Sy.

Hart St Lange
10th March 1866

Public Works Department

1. Statement of increases to the Establishment of the Consulting Engineer for the Madras Railway recommended for the sanction of the Government of India

Charges

Year	ordinary	Extra = ordinary	Total

No.	Date	Office to which the proposition refers	Nature of charge	Present scale		Proposed scale		Proposition: Permanent Increase per Month	Permanent Decrease per Month	Temporary Increase per Month	Temporary Decrease per Month	Period	Period	Casual or Extraordinary	Grounds of proposition	Local Government's recommendation	Remarks Finance Department	Orders of the Govt. of India Finance Department
		Consulting Engineer for Railways	Consulting Engineer	2000 " "		Consulting Engineer	2000 "								Vide Letter to the Government of India No. dated 1st March 1856.			
			Deputy Con. Engineer	600 " "		Deputy Con. Engineer	600 " "											
			Mily Allowance	293 10 "		Mily Allowance	293 10 "											
						2d Deputy Con. Engineer	400 " "	400-- --										
						Mily Allowance	195 12 "	195-12 --										
				2893 10 "			3489 6 "	595-12 --										
			Unenumerated Apts.	350 " "		Unenumerated Apts.	400 "	50-- --										
			Accountant	100 " "		Accountant	100 "											
			Do.	60 " "		Do.	60 "											
			Do.	50 " "		Do.	50 "											
			Do.	50 " "		Do.	" "		50-- --									
			Do.	40 " "		Do.	40 "											
			Do.	30 " "		Do.	" "		30-- --									
			Do.	25 " "		Do.	" "		25-- --									
			Clerk and Record-Keeper	70 " "		Clerk & Record-Keeper	70 "											
			Clerk	50 " "		Clerk	" "		50-- --									
			Clerk	40 " "		Clerk	" "		40-- --									
			Draughtsman	35 " "		Draughtsman	35 "											
			Moochee	10 8 "		Moochee	10 8 "											
			6 Peons at 7 Rs each	42 " "		6 Peons at 7 Rs each	42 "											
			2 Lascars at 7 Rs each	14 " "		2 Lascars at 7 Rs each	14 "											
			1 Sweeper	5 " "		1 Sweeper	5 "											
			Rupees	9418 "		Rupees	8268 "		50-- --	195-								
			Total Rupees	38652 "		Total Rupees	43154 "		645-12 --	195								

P. 9pc 646 802 66 -
with 4 Copies of the statement

Copy in a letter to England
Dy 7th March Ct. 16 of 1866.

Jo. V. 1866 Dy 666

Proc. of Court for March

Ct. 802 & 803

Proc. of the Madras Courts

Dy 10th March 1866

Ct. 220 @ 223.

7th March 1866 R. 10th