

(1) Number of pages 18

(2) Date of repair _____

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 1571-72
415-416-17

Press
Mis.

Dated 16-5- 18 66.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department.
16th May 1866.

No. 415. . Read the following letter from the Acting Consulting Engineer for Railways, to the Secretary to Government, Department Public Works, dated Madras, 4th May 1866, No. 204 :—

1. Having communicated to the Agents of the Madras and Great Southern of India Railways the Proceedings of Government, dated the 25th ultimo, No. 1,304, I have now the honor to submit

No. 2,019, 30th April 1866.
,, 256, 3rd May ,,

the replies received from those Officers with reference to the Resolution of the Government of India, dated the 29th March, No. 322 R.

2. I concur in the views expressed by the Government of India that the Revenue Accounts, for each half-year, should exhibit a full and complete statement of the accounts of the period, and “ should include all receipts earned though not realized, and all expenditure incurred though not paid.” Also that a Memorandum be added at the foot of the accounts showing the amount of out-standings.

3. The Agent and Manager of the Madras Railway, it will be seen, considers that “ credits” must of necessity be allowed, but that they ought not to extend beyond one month. To this I see no objection. The Secretary of State in paragraph 5 of his Despatch to the Government of India, dated 8th January 1866, No. 1, draws attention only to “ long credits,” which are of course objectionable, and and ought not to be allowed.

From the Agent Great Southern of India Railway, to the Consulting Engineer for Railways, dated Negapatam, 30th April 1866, No. 2,019.

1. I have the honor to offer the following remarks in reply to your letter No 112 of the 27th ultimo.

2. The half-yearly Revenue Accounts should, in my opinion, “ include all receipts earned “ though not realized, and all expenditure incurred though not paid,” during the period to which each account refers.

3 It has been customary, in rendering to your Office this Company's Revenue Account, to insert a Memorandum at the foot thereof, showing the portion of expenditure remaining unpaid, or not withdrawn from the Government Treasury at the close of the half-year. It could be also arranged to show the balance of receipts not paid into the Government Treasury. Both items can be checked by the Accountant General

From the Agent and Manager of the Madras Railway Company, to the Acting Consulting Engineer for Railways, dated Madras, 3rd May 1866, No. 256.

1. Adverting to your communication of the 27th ultimo, No. 239, forwarding a printed copy of the Proceedings of Government of the 25th ultimo, No. 1,304, I have the honor to state that after conferring with the Officers of the Railway, I arrive at the conclusion, that the system of allowing credit is as inseparable from Railway business as it is from trade generally. It doubtless affords very great accommodation to our customers, and when kept within proper limits, as I feel sure it is on this line, is not likely to entail any serious loss.

2. Railways cannot expect any more than other large undertakings entire immunity from loss, but it is an established fact, owing doubtless to the prompt system of payment, that they suffer very slightly in this respect.

*Proceedings of the Madras Government, Public Works Department,
16th May 1866.*

3. With regard to the allusion which is made to "long credits," I am of opinion that Railway Companies ought not to extend credit beyond one month, as the practice of the country is to settle accounts monthly, and I would advocate a close adherence to this system.

4. Referring to the suggestion at the end of paragraph 2 of the Resolution of the Government of India, that "it would be advantageous if a Memorandum at the foot of the accounts were added, indicating the amount of the out-standings respectively," I would observe, that as the Government Examiner of Railway Accounts, who attends daily at the Office, has the same means of checking our accounts and credits as the Railway Officers possess, such a foot note appears to me hardly necessary, more especially as it is laid down that the state of the out-standings is to be reported on in the half-yearly Appropriation Reports of the Accountant General's Department.

No 416. ORDER THEREON, 16th May 1866, No. 1,571.

RAILWAY, No. 40.

These papers will be forwarded to the Government of India with the following letter:—

(Here enter No. 1,572, dated 16th May 1866.)

(True Extract.)

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

Exd. S. T. Augustin.

PUBLIC WORKS DEPARTMENT,
FORT SAINT GEORGE,
16th May 1866.

No. 1,572.

No. 417.

To

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

SIR,

RAILWAY, No. 41.

Procs. of Govt. dated 16th May 1866,
Nos. 415, 416.

1. I am directed to forward herewith the accompanying papers containing the views of the Consulting Engineer and the Agents of the Madras and Great Southern of India Railway Com-

panies on the points noticed in paragraph 2 of the Proceedings of the Government of India, under date the 29th March 1866, No. 322 R.

2. It will be observed that the Railway authorities consider the system of allowing long credits to be most objectionable. The practice at present is to insist on a monthly settlement of accounts, and a close adherence to this arrangement has prevented any serious losses.

3. The suggestion to include in the Revenue Accounts all receipts earned though not realized, and all expenditure incurred though not paid, meets with the approval of the Railway Officers, and it will be seen that in the accounts of the Great Southern of India Railway it has been usual to exhibit at foot a Memorandum of out-standings. The Agent of the Madras Railway Company, however, does not see the necessity for such a Memorandum as the Government Examiner of Railway Accounts possesses the same means of checking the accounts and credits as the Railway Officers, and as, moreover, the half-yearly Appropriation Reports of the Accountant General's Department are expected to exhibit the state of the out-standings.

I have the honor to be,

Sir,

Your most obedient servant,

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

Exd. S. T. Augustin.

Madras, May 3rd 1866

From

A. B. Quinn Esq.,

Agent and Manager.

To

Major J. H. M. Shaw-Stewart, R.E.

Sir,

Consulting Engineer for Railways.

Adverting to your communication of the 27th ultimo, No 230, forwarding a printed copy of the Proceedings of Government of the 25th ultimo, No 1304, I have the honor to state that after conferring with the officers of the Railway, I arrived at the conclusion, that the system of allowing Credit is as inseparable from Railway business, as it is from trade generally. It doubtless affords very great accommodation to our customers, and when kept within proper limits, as I feel sure it is on this line, is not likely to entail any serious loss.

2. Railways cannot expect any more than other large undertakings, entire immunity from loss, but it is an established fact, owing doubtless to the prompt system of payment, that they suffer very slightly in this respect.

3. With regard to the allusion, which is made to "long credits", I am of opinion that Railway Companies ought not to extend credit beyond

beyond one month, as the practice of the country is to settle accounts monthly, and I would advocate a close adherence to this system.

11. Referring to the suggestion at the end of paragraph 2 of the Resolution of the Government of India, that "it would be advantageous if a Memorandum at the foot of the accounts were added, indicating the amount of the outstandings respectively" I would observe, that as the Government Examiner of Railway Accounts, who attends daily at the Office, has the same means of checking our accounts and credits, as the Railway Officers possess, such a foot-note appears to me hardly necessary, more especially as it is laid down that the state of the outstandings is to be reported on in the half-yearly appropriation reports of the Assistant General's Department.

I have the honor to be,
 Sir,
 Your most obedient servant,
 Wm. J. Martin
 Agent and Manager.

No. 2019

GREAT SOUTHERN OF INDIA RAILWAY.

AGENT'S OFFICE,

NEGAPATAM,

From

THE AGENT

Great Southern of India Railway,

To

The Consulting Engineer for Railways
Madras.

SIR,

I have the honor to offer the following remarks in reply to your letter No 112 of the 27th ulto. -

- 1 The half yearly Revenue Account should in my opinion include all receipts earned though not realized, and all expenditure incurred though not paid. (During the period to which each Account refers.)
- 2 It has been customary, in sending to your office, the Company's Revenue account, to insert a memorandum at the foot thereof, showing the portion of expenditure remaining unpaid, or not withdrawn from the Government Treasury at the close of the Half year. It could be also arranged to show the balance of receipts not paid into the Government

18483

From

The Agent and Manager.

To

The Consulting Engineer

for Railways

0001895/166

Dated

4th May 1886

Recd.

11th No. 256.

Submitting this memo with reference to the 2nd of the proceedings of the 14th of the 20th of the 1886. It is to be the subject of a meeting being called, A. A. A.

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Leaving for items can be
checked by the Accountant General

I have the honor to be

Yours faithfully
J. A. M. Shaw Stewart
Acting Consulting Engineer for Railways
Colonel L. A. Orr
Secretary to Government D.P.W.
Fort Saint George
Sir,
Having communicated to the
Agents of the Madras and Great Southern of
India Railways the Proceedings of Government
dated the 25th ultimo, No 1304, I have the honor
to submit the replies received from those Officers
with reference to the Resolution of the Government
of India dated the 29 March, No 322, R.
I concur in the views expressed
by the Government of India that the Revenue
Accounts, for each half year, should exhibit a full
and

From
The Clerk to the Secretary
General of the Railway

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Railway Department

Consulting Engineers Office

No 204.

From

Major J. A. M. Shaw Stewart R.E.
Acting Consulting Engineer for Railways

To

Colonel L. A. Orr R.E.

Secretary to Government D.P.W.
Fort Saint George

Sir,

Having communicated to the
Agents of the Madras and Great Southern of
India Railways the Proceedings of Government
dated the 25th ultimo, No 1304, I have the honor
to submit the replies received from those Officers
with reference to the Resolution of the Government
of India dated the 29 March, No 322, R.

2.

I concur in the views expressed
by the Government of India that the Revenue
Accounts, for each half year, should exhibit a full
and

No 2019 - 20 April 1861 -
No 256 - 3 May 1861.

and Complete Statement of the Accounts of the period, and "should include all receipts earned though not realized, and all expenditure incurred though not paid". Also that a Memorandum be added at the foot of the accounts showing the amount of Outstandings -

3 The Agent & Manager of the Madras Railway, it will be seen, considers that "credits" must of necessity be allowed, but that they ought not to extend beyond one month. To this I see no objection.

The Secretary of State in paragraph 5 of his despatch to the Government of India, dated 8 January 1866, No 1, draws attention only to "long credits", which are of course objectionable and ought not to be allowed.

I have the honor to be,
Madras
4 May 1866
Yours most obedt Servant

Wm Stewart Mackenzie
Acting Consulting Eng for Railways

152

Public Works Department

1571

PROCEEDINGS of the MADRAS GOVERNMENT
Under date the 16th May 1866.
Read the following

From the Consulting Engineer (Here enter No. 201 dated 1st May 1866)
for Railways

These papers will be
forwarded to the Government
of India with the following
letter

To 1572

The Secretary to the
Government of India

Sir,

I am directed to for-
ward herewith the accompa-
nying papers containing the
views of the Consulting Engineer
and the Agents of the Indian
and Great Southern of India
Railway Companies on the

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points noticed in Para 2
of the O.C. of the Govt. of
India under date the 29th
March 1866. No 322 R.

It will be observed
that the Railway authorities
consider the system of allowing
long credits to be most ob-
jectionable. This practice at
present is to insist on a
monthly settlement of accounts,
and a close adherence to this
arrangement has prevented
any serious losses to the Com-
pany.

The suggestion to
include in the Revenue Accounts
all receipts earned though not
realized, and all expenditure
incurred though not paid, meets
with the approval of the Officers
of the Company, and it will
be seen that in the
Accounts of the Great Southern

of India Railway it has
been usual to exhibit at
foot a memorandum of
outstandings. The Agent of
the Madras Railway Company,
however, does not see the necessity
for such a Memo: as the
Govt. Examiner of Railway
Accounts proposes the same
means of checking the Accounts
& credits as the Railway
Officers, and as, moreover,
the half yearly appropriation
reports of the Accountants
General's Dept. are expected
to exhibit the state of the
outstandings.

Fort St George
16th May 1866

Recd. 17th May with G.O. No. 1571/66.

111
P. W. 1866. Department.

Proc. of Govt. for day

No. 15414/1542

PROCEEDINGS OF GOVERNMENT

of Madras

Dated

16 May 1866

Passing orders on certain
correspondence containing the
information called for by the Govt.
of India, relative to the practice of
allowing long credits in order to
determine the exact sum in each
half year applicable to the payment
of Railway dividends.

15415-1542-347