

(1) Number of pages _____

(2) Date of repair _____

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 1589 455-456	Press Mis.
Dated 17-5-18 66.	

Not to be folded or roughly handled

No. 455. Read the following letter from the Acting Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 2nd May 1866, No. 196 :—

1. Lieutenant-Colonel O'Connell submitted to Government, with his letter dated the 27th September 1864, No. 533, *Vide* Order No. 668, dated 18th October 1864. the whole of the correspondence which had taken place with the Agent and Chief Engineer of the Great Southern of India Railway Company, with respect to a sum of Rupees 42,000 which remained unaccounted for.

2. Since September 1864 reminders have been repeatedly sent to the Agent to explain how the amount above referred to was expended.

With letter No. 1,948.

3. On the 15th February last, the Agent submitted a letter from the Chief Engineer, in which he expressed his inability to arrive at a complete clearing up of the suspense accounts. The chief cause of the confusion in the accounts was stated to have arisen from there being no responsible Record-keeper in charge of accounts, books, and vouchers. Vouchers had consequently been mislaid or destroyed, and there was no possibility of finding the books in which the items kept in suspense were recorded. Under these circumstances it was suggested by the Chief Engineer that sanction be obtained to pass the amount into Form D. It was also suggested by him that, with a view to arrive at some solution of the amount remaining unaccounted for, the accounts be made up *de novo* from the commencement of work in 1858.

* No. 2,016, dated 26th April 1866.
" " 20th do. "

4. From letters* received from the Agent and Chief Engineer on the 30th ultimo, I gather that the actual amount for which vouchers cannot be produced is Rupees 37,309-9-2, and that with the exception of an item of Rupees 1,649-2-7, twice credited in the accounts by a Cash-keeper, from whom no security had been taken, and who died before his accounts were closed, the Chief Engineer is of opinion that the money had been properly expended on the affairs of the Company.

5. There can be no question that, had a proper Accountant and Account Establishment been maintained on the Great Southern of India Railway, the confusion complained of by the Chief Engineer in the accounts would not have occurred. It is clear that want of supervision has led to so large a sum of money remaining unaccounted for.

6. In accordance with the instructions contained in paragraph 3 of the Despatch from the Secretary of State for India to the Government of India, dated 4th November 1859, No. 109, the whole of the circumstances connected with this matter should be reported Home for the decision of the Secretary of State in Council, and I have the honor to recommend that this be done.

7. I do not see that any good will result from making up the accounts afresh since 1858. To do this would involve the necessity of employing an additional establishment, and adding to the money already spent.

Proceedings of the Madras Government, Public Works Department,
17th May 1866.

From the Agent Great Southern of India Railway, to the Consulting Engineer for Railways, dated Negapatam, 15th February 1866, No. 1,918.

1. Your letter No. 21 of the 19th ultimo, and previous correspondence, having been communicated to the Chief Engineer, I have received from him the reply of which the attached is a copy.

2. Upon the 1st January 1864, (the date from which the Chief Engineer handed over charge of the Engineering accounts of the Eastern Section to the Resident Engineer,) the debit in the Company's books against the Chief Engineer was Rupees 49,930-15-3. The amount of money in his cash chest was Rupees 10,701-7-1. The balance to be accounted for being Rupees 39,229-8-2.

3. Vouchers for a portion of this amount have I expect been passed through the forms D. for January 1864 and subsequent months, so that the amount, uncleared will be less than that stated above. These forms (for January and subsequent months) I am now auditing.

4. If you concur with the Chief Engineer, will you please let me know the result of the application to Government.

From the Chief Engineer, to the Agent Great Southern of India Railway, dated Trichinopoly, 26th January 1866.

Suspense Accounts, Eastern Section.

1. I regret to say that I have not been able to arrive at a complete clearing up of these accounts as I had hoped to do long ere this.

2. District No. 3 account has been cleared up to 30th June 1862, at which date it became amalgamated with those of Districts 1, 2, and 4.

3. The chief cause of all this confusion and labor after wading through the books has been that no responsible Record-keeper was in charge of accounts, books, and vouchers. Vouchers have consequently got mislaid or destroyed by white-ants and damp, and I am now brought to a stand still by not being able to find the books in which the items kept in suspense from time to time and afterwards entered in the Form D. subsequent to the 30th June 1862, were recorded.

4. As you are aware I have had great difficulties to contend with in endeavouring to clear up these accounts. When I was put in charge of the Engineering Department, I found the vouchers scattered, and without any responsible person in charge. No regular handing over of vouchers from the Engineers appears even to have taken place, nor does there appear ever to have been any register of vouchers either at head quarters or in the Districts. I was consequently left to hunt up each voucher in its turn as the work of clearing the suspense items went on. Many and frequent changes took place among the Clerks engaged on the work, added to which hardly one of the old Writers, who had been connected with the keeping and preparation of accounts, remained. I would suggest that, under the circumstances, application should be made to Government for sanction to pass the amount into Form D. and so enable us to start forward without this great incubus of arrears so detrimental to current work. It may be reasonably assumed that all the payments have been *bona fide* made and entered in the different cash books, but the difficulty lies in the absence of a clear account of what has been wholly or in part of each payment passed into Form D. and to arrive at this, there remains nothing but to make out *de novo* the accounts of the Eastern Section, that is from 1858. I think there can be the less objection to Government sanctioning my proposal, looking to the fact that you are about to undertake, under instructions from the Directors, an audit of the accounts of the Eastern Section from the commencement, and in making this audit all the payments will come up in detail, as taken credit for through the forms.

From the Agent Great Southern of India Railway, to the Consulting Engineer for Railways, dated Negapatam, 26th April 1866, No. 2,016.

1. In reply to your letter No. 100 of the 23rd instant, I attach hereto copy of the Chief Engineer's further report upon the Eastern Section Suspense Account.

2. It appears from this, that the amount for which the Engineering Department seeks credit, and for which that Department cannot produce vouchers is Rupees 37,309-9-2.

Proceedings of the Madras Government, Public Works Department,
17th May 1866.

3. With the exception of an item of Rupees 1,649-2-7 (twice taken credit for by one of the Engineering Cash-keepers) the Chief Engineer is of opinion that the above sum has been properly expended on the affairs of the Company. See his remarks hereon, submitted with my letter No. 1,918 of the 15th February last.

4. In the event of the sanction of Government being obtained to the writing off of this suspense amount, please inform me in what form, and under what heading, it should be entered.

From the Chief Engineer, to the Agent Great Southern of India Railway, dated Trichinopoly, 20th April 1866.

The amount for which I require the sanction of Government to charge off without particulars in Form D. is Rupees 37,309-9-2.

The amount includes Rupees 1,649-2-7 which appears twice entered (by the late Acting Cash-keeper Venkeah) in the cash book. Venkeah gave no security, and died before his accounts were closed.

I attach Memorandum showing the manner in which the amount of Rupees 37,309-9-2 is arrived at.

	RS.	A.	P.	RS.	A.	P.
Book balance	...	...	...	49,930	15	3
Cash in chest	...	...	...	10,701	7	1
Do. Madras Bank	...	...	...	106	15	2
				10,808	6	3
Deduct credit to Photographic Account				134	9	5
				10,673	12	10
				39,237	2	5
Deduct amount returned since 1st January	...	...	...	1,947	9	3
Amount unreturned for which sanction is required to charge off without particulars	...	...	...	37,309	9	2

(True Copy)

(Signed) W. S. BETTS,
Agent.

No. 456.

ORDER THEREON, 17th May 1866, No. 1,589.

RAILWAY, No. 44.

1. Ordered that a copy of this order, with its enclosures and of the proceedings of Government No. 668, dated 18th October 1864, be forwarded for the orders of the Right Honorable the Secretary of State for India.

2. The Government fully concur in the remarks which are contained in paragraphs 5 and 7 of the Acting Consulting Engineer's letter above recorded.

(True Copy)

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

To the Consulting Engineer for Railways.

Exd. S. T. Augustin.

Railway Department

73
Consulting Engineers Office

No 196-

From

Major J. R. M. Shaw Stewart R.E.

To

Acting Consulting Engineer for Railways

Colonel G. A. Orr R.E.

Secretary to Government P.W.D.

Fort Saint George.

Sir,

1
Lieut. Colonel Connell submitted to Govern-
ment with his letter dated the 27th September 1864, No
533, the whole of the Correspondence which had taken
place with the Agent & Chief Engineer of the Great
Southern of India Railway Company, with respect to
a Sum of Rupees 42,000 which remained unaccounted
for.

2
Since September 1864 reminders have
been repeatedly sent to the Agent to explain how the
amount above referred to was expended.

3
On the 15th February last, the Agent
submitted a letter from the Chief Engineer, in which he
expressed his inability to arrive at a Complete clearing
up.

vide Order No 668-
dated 18 October 1864.

vide letter No 1928-

up of the Suspense Accounts. The chief Cause of the confusion in the accounts was stated to have arisen from there being no responsible Record Keeper in charge of Accounts, Books & Vouchers. Vouchers had consequently been mislaid or destroyed, and there was no possibility of finding the books in which the items kept in Suspense were recorded. Under these Circumstances it was suggested by the Chief Engineer that Sanction be obtained to pass the amount into Form D. It was also suggested by him that, with a view to arrive at some solution of the amount remaining unaccounted for, the accounts be made up de novo from the Commencement of work in 1858.

4 From letters received from the Agent & Chief Engineer on the 30 ultimo, I gather that the actual amount for which Vouchers cannot be produced is Rupees 37,309.9.2, and that with the exception of an item of Rupees 1,649.2.7 twice credited in the accounts by a leasekeeper, from whom no security had been taken, and who died before his accounts were closed, the Chief Engineer is of opinion that the money has been properly expended on the Affairs of the Company.

5 There can be no question that, had a proper Accountant and Account Establishment

Ms 2016 - 26 April/58
St. - 26 April/58

73
maintained on the Great Southern of India Railway, the Confusion complained of by the Chief Engineer in the accounts would not have occurred. It is clear that want of Supervision has led to so large a sum of money remaining unaccounted for.

6 In accordance with the instructions contained in paragraph 3 of the Despatch from the Secretary of State for India to the Government of India, dated 4 November 1859, No 109, the whole of the Circumstances connected with this matter should be reported home for the decision of the Secretary of State in Council, and I have the honor to recommend that this be done.

7 I do not see that any good will result from making up the accounts afresh since 1858. To do this would involve the necessity of employing an additional Establishment, and adding to the money already spent.

I have the honor to be,
Sir,
Your Most Obedt Servant.
J. H. Stewart
Major &c
Acting Consulting Engineer for Railways
Madras
2 May 1860

475 May 1866 Dr. 147

4.1.1865

Copy in a letter to Eng.
of 25 May 1866 Dr. 29.

Private
Rail Section

Public Works Department.

no. 1589

PROCEEDINGS of the MADRAS GOVERNMENT
under clause 17 of the Madras Railway Act of 1859
Read the following

The Acting Consulting Engineer.
(Here enter No. 196 dated 2nd May 1866)
for Railways

Ordered that a
Copy of this letter, with its
enclosures and of the Pro-
ceedings of Government No.
668, dated 18 Octr 64, be
forwarded for the orders of
the Right Honorable the
Secretary of State for India.

The Government
fully concurs in the remarks
which are contained in
paras 5 and 7 of the Acting
Consulting Engineer's letter
above recorded.

To the Secy of the Railways
[Signature]

To
The Secretary to Government
Railways
From the Acting Consulting Engineer
No. 196
Dated 2nd May 1866
Recd 4th May 1866
[Signature]
Communicating for
the sanction of Government
letter from the Agent & the
L.S. & J. Ry. in the subject
of the Surplus Account
of the Section -

no. 1589 - 175 May 1866

Copy in a letter to England
of 25th May 1866 No. 29.

(11)
P. IV. 1866 Department.
Proc. of Court for May.
No. 1589.

PROCEEDINGS OF GOVERNMENT. *of Maorai*

Dated *17th May 86*

No. 455-466.