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MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 673 Press Mis.

95-99

Dated 5—3— 1867.

Not to be folded or roughly handled

No. 98. Read the following letter from the Secretary to the Government of India, Public Works Department, (Account), to the Secretary to Government of Madras, in the Public Works Department, dated Fort William, 6th February 1867, No. 131 A:—

1. The accompanying Report on audit of Railway Accounts, Madras, by the Accountant General, Public Works Department, having been laid before His Excellency the Governor General in Council, I am directed to express His Excellency's satisfaction at the effective way in which the new audit has been introduced and carried out at Madras.

2. The orders which the Government of Madras may pass on the note submitted to it by Major Chesney, a copy of which is attached to the report, will no doubt reach the Government of India in due course. I am to observe that the amended audit rules having been accepted in full and put in operation, no reply will now be necessary to your letter No. 3,551, dated 7th November 1866, which contains the remarks of the Madras Government on the first draft rules.

Report by Major G. CHESNEY, Accountant General, Public Works Department, on the Appropriation Audit of Railways in Madras.

1. My visit to the Madras Presidency extended from the 28th November to the 25th December.

2. The appropriation audit by Government agency of the Railways there was begun in the early part of the year, when Mr. Kellner, Assistant Accountant General in this Department, was deputed for the purpose of introducing it, and Lieutenant Filgate, R. E., was appointed Examiner of Railway Accounts, and attached to the Consulting Engineer's Office for the purpose of conducting the audit under the orders of the latter. Mr. Kellner's Report of his proceedings, and on the state of the accounts of these Railways, reached this office in June 1866, and the remarks of the Government of India thereon were communicated to the Government of Madras in Public Works Department No. 658 A, dated 23rd July 1866, and at the same time a set of draft rules for conducting the new audit was sent to that Government for consideration. Subsequently the rules as finally determined on were promulgated in October 1866. The orders of the Government of Madras on these were issued just at the time of my arrival, and I was thus able to accomplish satisfactorily the object of my deputation, viz., to afford any needful explanation regarding the rules, and assistance in carrying them out.

3. The accounts of the Railways in Madras having been fully described in Mr. Kellner's Report and that of Mr. Trotter who accompanied him, I will here merely refer to the different points regarding them which were noticed by the Government of India in the letter above referred to, as calling for attention, and state what has been done in the way of improvement. I may add that in dealing with the subject of the audit, I shall endeavour to hold in view the principle developed in the rules, which I conceive to be embodied generally in these three propositions:—1st, that the Government desires to satisfy itself, through its agent, that the Railway accounts are kept with sufficient accuracy and method to admit of all charges and receipts being clearly recorded; 2nd, that the expenditure is incurred for sanctioned purposes; and 3rd, that the establishments maintained are not excessive for the purpose, Government being equally interested with the Company in economy of expenditure. My inspection therefore was made with reference to these conditions; that is, to see, not whether the accounts came up to the highest ideal of excellence, but whether they are sufficiently good for the purposes of Government. Further, it will be understood that my object was directed, not so much to examining the accounts themselves (for which indeed the time available would have been quite insufficient), as to observing the manner in which they had been audited. I attach also copy of a note submitted to the Government of Madras through the Consulting Engineer, made while on the spot of the different points which appeared to call for notice.

MADRAS RAILWAY.

4. The Government audit of the accounts of this line is carried out in a complete and satisfactory manner. The Examiner sits in the same room with the Chief Auditor of the Company, and checks the accounts simultaneously with him. The audit and scrutiny exercised appeared to be of the close and searching character contemplated by the rules.

5. As regards the complete introduction of those rules, with respect to the new mode of issuing funds to the Company, and the monthly account to be furnished, the orders of the Madras Government publishing the rules were issued (as before noticed) just at the time of my arrival. A Meeting was held, at which the Consulting Engineer and Examiner, the different officials of the Railway Company and myself were present, and at which the rules were discussed, and the needful arrangements determined on for giving effect to them. It was arranged that under the provision of the rules, the supply of funds would from the commencement of the present year be made according to the new plan; and before I left Madras a form of monthly account had been agreed upon which fitted in with the heads of account maintained in the Company's books, and will contain all the needful information for the purposes of Government.

6. The following points were referred to by the Government of India, in addressing the Government of Madras upon Mr. Kellner's Report, as calling for amendment and alteration of procedure.

7. *Employment of other Banks than the Bank of Madras.*—This was objected to. It has now been arranged that the Company shall keep all its cash with the latter, except the fine and guarantee funds.

8. *Independent Audit by Officer of Railway Company.*—The late Chief Accountant has been made Chief Auditor under orders of the London Board and with the approval of the Madras Government.

9. *Division of the Engineering Accounts from the General Accounts of the Agency.*—Government of India objected to the Engineering accounts not being subject to the same detailed audit as the rest of the accounts. The cause of this objection has now been removed, and the Engineering accounts are embraced in the same scrutiny as is given by the Chief Auditor and Government Examiner to the rest of the accounts.

10. The Engineering accounts are very well kept, but the complete separation maintained between them and the rest of the accounts seems unnecessary and undesirable. The agency is clearly as much concerned with the expenditure on construction as with any part of the expenditure, and there seems to be no sufficient reason why the detailed accounts thereof should be entirely separated from the general books; while the Chief Engineer's responsibility can hardly be effected to any appreciable degree by raising up a nominal debit against him for the money disbursed by his staff. The idea of fixing responsibility on heads of departments for the expenditure incurred under their orders, by charging their personal account with it, has been long abandoned in all Government Departments, as well as, I believe, on most Railways. I do not, however, recommend an immediate change. These Engineering accounts, as I have stated, are very well kept, and being now subject to an independent audit, the principal objection heretofore raised has disappeared; but so soon as the North-West Line shall be completed, the whole accounts of the Railway may then, I think, be concentrated with great advantage in the general books of the Company.

11. In connection with the Engineering accounts, attention is requested to the remarks in paragraph 14 of the accompanying Memorandum, regarding the authority of the Auditors to pronounce on the propriety of incidence of charges. There can, I apprehend, be not the smallest doubt on this head, but the matter will, I believe, be taken up in due course by the Government of Madras. I may just mention that the business of the English Board of Audit, which audits the accounts of the different Public Departments, is held to consist quite as much in scrutinizing the incidence of charges, and satisfying themselves that payments have been carried to the proper head of service, as in ascertaining that proof of payment is recorded. But, in fact, the proposition that an auditor is to accept the Accountant's view of the accounts under audit, carries its own refutation.

Proceedings of the Madras Government, Public Works Department, 5th March 1867.

12. The store accounts have not yet come regularly under the operation of the new audit. Remarks on these account, will be found in the appendix. The detailed store ledger balance shows a very satisfactory agreement with the balance of the general ledger, and the store accounts are very carefully kept; but I believe the Chief Auditor and Examiner concur in the opinion that they are susceptible of considerable reduction and simplification.

GREAT SOUTHERN OF INDIA RAILWAY.

13. I visited this Railway with Lieutenant Filgate. It is now open from Negapatam *viâ* Trichinopoly to Karoor, and in a few months will be completed to the Errode Junction on the Madras Railway.

14. The new rules were discussed with the Agent and Principal Officers of the Company, and arrangements made for carrying them out at the date prescribed.

15. Lieutenant Filgate has made several visits to this line, and his audit appeared to be well and thoroughly performed.

16. The accounts themselves are however still open to the strictures contained in Messrs. Trotter and Kellner's Reports. It has to be specially noted that there was no agency cash-book showing the whole cash receipts and disbursements of the Company in India; the Agent has, however, agreed to introduce one from the beginning of this year, to meet the new system of drawing advances.

17. The agency books also contain very little detailed information of the expenditure on construction. The details of this as regards the line now in progress are kept in the Chief Engineer's Office at Trichinopoly. The Chief Engineer is debited with all advances of cash, and with the value of all stores issued to him. He in turn charges the different District Engineers with their advances, and credits them monthly with their expenditure. From their accounts he compiles schedules which the Agent passes to his credit, debiting the head Construction. Store accounts are carried through the engineering accounts in a similar way.

18. The engineering accounts while extremely diffuse were yet incomplete. The agency books did not show the actual expenditure month by month, because there was no necessary correspondence between the schedules sent forward from the Chief Engineer's Office, and the cash expenditure of the District Engineers as shown in his books. But the two principal defects appeared to be,—1st, that the schedules on which the audit was conducted nowhere brought together the total expenditure on a work for cash and stores against the sanctioned estimate or indent; 2nd, that although the work ledgers were kept in extreme detail, they nowhere showed the cost of any work.

19. As this Railway is now approaching completion, it would not probably be desirable to urge any immediate changes of system; but on completion of the line, I think it would be a great improvement to concentrate the account in the Agent's Office; relieving the Chief Engineer from all trouble connected with them, by opening an account direct with each principal disbursing Officer; and at the same time making the payments, as far as possible, through the medium of cashiers, and on pre-audit.

20. The relief to the Chief Engineer should be considerable, for his accounts and office-work are at present very heavy. As has been observed with respect to the Madras Railway, the responsibility of a supervising officer, or the head of a Department, need be in no way lessened by ceasing to raise debits against him for the disbursements made by his subordinate officers; and it is quite possible to control expenditure without introducing all this complex machinery.

21. The engineering accounts undergo audit by the Government Examiner, but not by the Agent, although a clerk from his office is deputed periodically to check the accounts by the vouchers. Thus the Examiner, *quoad* these accounts, instead of watching the audit of the Company is auditing himself.

22. The Government of Madras has proposed to the Secretary of State that an independent Auditor should be appointed for this Company, and I would here beg to express a strong opinion

that such appointment is very desirable. In saying this, I am very far from wishing to do less than justice to the manifest ability and economy with which the affairs of the Company are administered by the Agent. But this seems to be rather a reason for, than against the change. Should Mr. Betts be obliged to leave his post suddenly, there might be great difficulty in supplying his place adequately in the different posts of Agent, Traffic Manager, Store-keeper, and Auditor, now held by him; and it seems very undesirable that the working of so complex a machine as a Railway should be dependent on the presence of any one man, however able.

23. Mr. Betts is himself in favor of maintaining the present arrangement on the score of economy; but I am of opinion that by concentrating the accounts establishments, and simplifying the accounts in the manner suggested, it would be found practicable to provide for the salary of a competent Auditor and Accountant (who need not be altogether independent of the Agent) without any increase on present charges.

24. I beg to take this opportunity to express my sense of the courtesy I experienced from all the gentlemen whose offices were visited during my tour.

(Signed) G. CHESNEY,
Accountant General.

CALCUTTA,
18*th January* 1867.

No. 99. ORDER THEREON, 5th March 1867, No. 673.

RAILWAY, No. 7.

Recorded, with reference to G. O., dated 29th January 1867, No. 272.

(True Extract.)

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

To the Consulting Engineer for Railways.

Exd. S. T. Augustin.

Report by MAJOR G. CHESNEY, *Accountant General, P. W. Dept., on the Appropriation Audit of Railways in Madras.*

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24. I beg to take this opportunity to express my sense of the courtesy I experienced from all the gentlemen whose offices were visited during my tour.

CALCUTTA,
18*th January* 1867.

G. CHESNEY,
Accountant General.

Note on the audit of the Railway Accounts, Madras Presidency.

The following notes have been made of the different points noticed in connection with the audit of Railways in Madras which appear to call for remark.

MADRAS RAILWAY.

2. *Cash Accounts.*—The Agency cash-book records all receipts and payments made on behalf of the Company, all money being at once paid to the Bank on receipt. The entries in this book are based on advices received by the Chief Accountant of the payments actually made to and by the Cashier. The Cashier keeps a similar cash-book himself of his transactions, which necessarily corresponds exactly with the Agency cash-book. In either case as all money received is at once paid away, the book always closes without a balance.

3. The Cashier also keeps a petty cash-book for petty disbursements made. The amounts advanced to him for this purpose, generally about a thousand rupees at a time, are written off the main cash-books.

4. Payments to Cashier for sanctioned charges are as above described written off when paid. Thus *e. g.* if the salary bill of a department be pre-audited for Rs. 10,000, a cheque for that amount is drawn and issued to the Cashier, and the amount is written off to the head of service concerned as a final payment. This mode of dealing with the item is convenient, but a record seems wanting of the course of the payments actually made from this Rs. 10,000. The distribution of this sum probably occupies several days, and no doubt the Cashier does somewhere keep such a record for his own satisfaction, but it seems proper that the record should be placed on a methodical basis, as a public record open to the scrutiny of the Auditor. This object will be attained by the Cashier either keeping a general cash-book of all cheques paid to him for disbursement, showing *per contra* the actual payments made; or a separate cash account in respect of each class of payments; the total of the balances of such cash accounts would correspond with the actual balance of cash in the Cashier's chest.

5. Another link which I think requires to be supplied in the audit, consists in a comparison of the payments made *to* the Cashier for sanctioned charges of the kind referred to above, with the detailed payments made *by* him. These payments are made at different dates to a great number of different people, whose acknowledgments of the receipt of their pay are sent up to the Chief Auditor, and collected in his Office. It is assumed that the demand of the receiving department, to be paid its sanctioned charges, affords a sufficient check that the payments will be duly made by the Cashier, and no doubt as a rule this will be the case; but in order the audit should be complete, it appears proper that these acquittances should be duly agreed with the payment finally charged in the books, and any differences or short payments noted. It appears that this operation is actually performed by some one in the Chief Auditor's Office, but it seems desirable that the result should be methodically noted on the record, and occasionally attested by the Chief Auditor and Examiner.

6. It is arranged that the account now kept with the Oriental Bank shall be closed, except for the fine and deposit funds which do not belong to the Capital and Revenue Accounts of the Company.

7. London stores have heretofore been brought to debit half-yearly, the entries being based on the actual receipt, and not on the invoices. It is now proposed to credit London with the invoices, on receipt of advice, the debit being made to a suspense head termed *Stores in transit*, which will be cleared as the stores are received. Further it is intended to make these entries monthly, instead of half-yearly, which will no doubt be an improvement.

8.—25, 1, 67.

8. The following was noted as the state of the books on 6th December:—

Cash-book, North-West Line, written up to 30th November, (but subsequent payments already entered in requisition book).

Cash-book, South-West Line, written up to 3rd December.

Cashier's Cash-book, both lines, ditto.

Journal, South-West Line, written up for October, but wanting the construction account entries to complete.

Journal, North-West Line, as above.

Ledger, South-West Line, posted for September.

Ditto, North-West Line, ditto.

9. The adjustment of stores issued to works was effected to 31st December 1865, but the adjustment of stores issued for Revenue had been separately made (for subsequent dates) by monthly credits to a suspense head "General Storekeeper," which account it has been usual to clear half-yearly by a credit to "Government of India Revenue Account." This arrangement it is now intended to supersede by the monthly adjustment of store accounts used both for revenue and construction purposes, referred to above.

10. I should note that no credit had been afforded to London for the stores *received* since 30th June 1866. But it is understood to be intended that this part of the accounts shall be henceforward brought under the system of punctual monthly adjustments like all the rest.

11. The form of monthly account current to be rendered to the Consulting Engineer was the subject of discussion. It was explained by the Accountant General that the form circulated by the Government of India was intended to be rather the *type* of the account required, than the exact pattern to be followed, and that provided the essential requirements of the case were observed, it was not desired that any changes should be made in the system of account in force, merely for the sake of uniformity. A form of account current is being prepared in this view by the Officers of the Company in communication with the Examiner, and the matter can be finally settled before the Accountant General leaves Madras. The only points which it occurs to me to notice as bearing on this subject are:—

1st.—It will be necessary to show in the account all credits to London, in order that they may be agreed with the corresponding entries in the Government Civil Accounts.

2nd.—A monthly balance will be required from the Engineering Department in place of the half-yearly one, showing the outstandings of the different districts, and to be agreed with the balance held against that Department in the principal books.

3rd.—The Cashier's clearances for his expenditure on Revenue Advance Account, which clearances are effected through the Chief Engineer's audits, are now somewhat in arears of the course of his expenditure, the result being that the balance held at his debit in the principal books of the Company is usually considerably more than the actual cash in his hands. It will obviously be desirable so to arrange that this balance may be kept down to the lowest possible point.

12. It has been arranged by the Consulting Engineer, in communication with the Officers of the Railway Company, that the monthly account current shall be held to be due on the 7th of the third month after that to which it relates. Thus the account for April will be due by 7th July. It may be hoped that, by this time, the accounts of the month will have been completely written up, and all adjustments made; but should there be arrears in any branch, they will be noted in the return provided for the purpose.

13. It is satisfactory to find that the Engineering Accounts are now subjected to the audit of the Chief Auditor and Examiner, and that the ground of the objection made by the Government of India on Mr. Kellner's Report, that the

large expenditure passing through these accounts was not subject to a scrutiny from outside, has now been removed. I should be averse to suggest any alterations at present in the mode of dealing with accounts so well-kept as these are, so long as the North-West Extension continues under construction; but when the Madras Railway shall be completed, I should hope it may be found practicable to reduce work by abolishing the complete separation which now obtains between the Engineering and other accounts, and bringing the former directly into the principal books of the Company.

14. The question was raised, whether it was open to the Audit Department to challenge the propriety of the incidence of charges appearing in the Engineering Accounts, that is, the distribution of charges made by the Engineering Department upon works or heads of service. I apprehend that it is a plain function of an Auditor to deal with such matters when they occur. It seems clearly to be as much a part of his duty to see that charges are carried to their proper heads, as to see that proper vouchers are forthcoming, and this view is I believe always held by those employing Auditors for the accounts of Government, or independent Joint-Stock Companies. It may be argued that, in Engineering Accounts, the Engineering Department will be the better judge of the propriety of distribution of charge; but by submitting accounts to the scrutiny of an Auditor, it seems to be implied that his judgment is intended to be deferred to, and though of course an appeal lies from the Auditor's decision to higher authority,—the Consulting Engineer on one hand and the Agent on the other,—I conceive that their decisions might be deemed to hold good until reversed. However it may be hoped that such cases will seldom arise.

15. The Store Accounts are I think capable of reduction and simplification; I believe of the same opinion. Besides the ward books of receipts and issues, which call for no remark, there are—

1. Work ledgers which show quantity but not price.
2. Priced book of receipts.
3. Ditto of issues.
4. Journal of receipts.
5. Ditto issues.
6. Ledger.

I suggest for consideration that (1) (2) and (3) might be combined into one by a little alteration of form.

16. It is also suggested as deserving of consideration that stationery might be removed from the priced Stores Accounts altogether, and charged at once when purchased to Revenue and Construction, in proportions to be fixed by the Agency in communication with the Consulting Engineer. The bulk of this part of the Store Accounts seems to be out of proportion to the value of this part of the stores, and it seems quite possible to maintain a vigilant check on the consumption of paper without keeping it on the books at a money value.

Great Southern of India Railway.

17. *Cash-book.*—The defect noticed in the previous Report on the accounts of this Railway by Messrs. Kellner and Trotter, the want of a cash-book containing all the transactions of the Agency still exists, but the new system of drawing funds which is to come into operation on 1st January 1867, renders the introduction of a cash-book quite necessary, and it is clearly understood I believe by all concerned, that this record will now be introduced. The only point which it seems necessary here to notice is that, since the different Officers of the Company (Chief Engineer, Locomotive Superintendent, &c), may now be empowered by the Agent to draw cheques on the Government treasuries, it will be necessary for such Officers to furnish periodical cash accounts showing their drawings, and that it will be proper to bring those drawings through the Agency cash-book, *first*, as a receipt *by* the Agent, and then as a payment *from* him to the party drawing the cheque.

18. It will be proper that, in the monthly account current to be rendered by the Agent to the Consulting Engineer, the balance at debit of the Chief Engineer should not be shown in the lump, but should be detailed to give the balance held by the Chief Engineer against each of his District Engineers and the portion retained by him at his own debit.

19. *Traffic receipts paid in.*—The Talook Treasury Officers at present require an order from the Consulting Engineer to receive the traffic earnings paid in before they will afford credit to the Railway Revenue Account. This procedure appears quite needless, and no doubt the matter has only to be represented to the Civil Account Department for the restriction to be removed. Now that the Railway Companies are to receive interest on their traffic receipts, it becomes necessary that no delay should occur in affording credit in the Government books for the payments made on this account. The amount outstanding on this account on 11th December was Rs. 26,074; in October it was as much as Rs. 43,000.

20. *Engineering Accounts.*—All the expenditure on the construction of the new line is passed through the engineering account. The Chief Engineer is charged with all the advances on this account, and credited with the amounts of Forms A and D for cash expenditure on establishment and sanctioned works. The Chief Engineer in *his* books debits himself with all his receipts, and charges his District Engineers with all the advances made to them. Their accounts are credited monthly with the whole of their cash expenditure, which is debited to a head *Construction*, which in turn is credited by the amount of Form D. Form D does not however include the whole of the expenditure of the month. At the time of my visit, a considerable sum was lying at debit of the head Construction, being the amount of certain muster-rolls, which had been omitted from Form D, pending settlement of a proposal made that they should be included in Form A (Schedule of Establishment). Further it appears to be usual to commence the preparation of Form D before the whole cash sheets of the Disbursing Officers are received, and that thus about a week's expenditure usually remains at debit of construction account.

21. Thus there is no record in the Agent's books of the actual expenditure incurred.

Form D is very elaborate, the different descriptions of labour being entered in detail, but since the value of the materials expended is not added, nor the expenditure compared with the sanction, its utility is not apparent. The Works Ledger, which is posted from Form D, is also very diffuse, the entries of that form being made in detail instead of being abstracted; the expenditure on each part of the work is nowhere shown, while the value of materials is entirely omitted.

22. Store transactions are omitted from the Journal and Ledger; on the other hand the separate Store Accounts are exceedingly elaborate, the most trifling purchase being first debited to General Stores, and then credited thereto as if issued by the General Store-keeper, and charged to Construction, so also any expenditure incurred in the Chief Engineer's workshop for any but construction purposes, is carried through the General Store Account. These accounts are therefore still open to the strictures made by Mr. Trotter nearly a year ago, that while very elaborate in some parts, they stop short at the point of completeness. The cost of a work can nowhere be told. I think therefore that the improvement of these accounts in the matters pointed out may be usefully undertaken, and would recommend the following modifications.

1st.—The details at present shown in the Ledger to be excluded, and the main entries therein to be confined to one for each work, the incidence of this item on the different sub-heads of the work being however detailed, and the value of stores expended being of course included.

2nd.—Form D to be greatly abridged, but to compare total expenditure on each work with the sanction. Further to show the whole expenditure for the month.

3rd.—Small purchases made by the Engineering Department for construction to be charged direct thereto, instead of being carried through General Stores.

4th.—Stationery not to be kept on store accounts at money value.

23. As this railroad is now nearly approaching completion, any radical change of system would no doubt be to be deprecated. But hereafter it would, I conceive, be very desirable to relieve the Executive Departments of the heavy burden now placed on them; to confine their labours to simple returns of cash and stores expenditure, and to place the duty of compiling and working up these returns, and effecting all transfer entries on the Central Office. At present a great deal of the work is done twice over, and I believe that, by a re-distribution of arrangement, it should be found practicable to provide for the appointment of an Auditor without any increase of expense.

24. It seems hardly necessary to remark that it would be quite practicable to maintain the responsibility of Heads of Departments for the expenditure incurred by them, and to give them full information regarding that expenditure, without raising money debits against them for the moneys and stores supplied to their subordinates.

25. It is understood that, with the concurrence of the Consulting Engineer, an interval of six weeks will be allowed after the end of each month for the compilation and rendering of the account current of the receipts and disbursements of the month.

26. It seems worth consideration whether the payment of salaries need be delayed pending pre-audit.

Duties of the Government Examiner:

27. The Government audit is proceeding in so highly satisfactory a manner, that I will merely remark that it seems desirable to bear in mind that the principle to be kept in view is, that the Government Examiner should direct himself to seeing that the Auditors of the Railway Companies conduct the audit in a complete way, rather than to auditing the accounts himself; unless this be borne in mind, it is to be feared that there may be a tendency exhibited to throw an undue share of the work on Government, leading to additional expense for establishment to perform it.

28. Under this view, I think the Examiner should require evidence to be recorded on the books of the Engineering Department of the Great Southern of India Railway, that they have undergone audit by the Agent's Department (pending the appointment of an Auditor) before proceeding to audit them himself.

29. It will be well, no doubt, to avoid defacing the books audited as much as possible.

(Signed) G. CHESNEY.

MADRAS:
22nd December, 1866.

Report by MAJOR G. CHESNEY, *Accountant General, P. W. Dept., on the Appropriation Audit of Railways in Madras.*

Dated 18*th January*, 1867.

Calcutta:
PUBLIC WORKS DEPARTMENT PRESS,
1867.

No. 131 A.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

To

THE SECY. TO GOVT. OF MADRAS,
IN THE PUBLIC WORKS DEPARTMENT.

FORT WILLIAM, FEBRUARY 6, 1867.

SIR,

The accompanying Report on audit of Railway Accounts, Madras, by the Accountant General, Public Works Department, having been laid before His Excellency the Governor General in Council, I am directed to express His Excellency's satisfaction at the effective way in which the new audit has been introduced and carried out at Madras.

2. The orders which the Government of Madras may pass on the note submitted to it by Major Chesney, a copy of which is attached to the report, will no doubt reach the Government of India in due course. I am to observe that the amended audit rules having been accepted in full and put into operation, no reply will now be necessary to your letter No. 3551, dated 7th November 1865, which contains the remarks of the Madras Government on the first draft rules.

I have the honour to be,
SIR,
Your most obedient Servant,

Lieut.-Col., R. A.,
Secy. to the Govt. of India.

Rec'd 7 November 1866 & Ans'd

Rec 1867 Department-
Proof sent for audit & 503

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

To

SECY. TO GOVT. OF MADRAS,
IN THE P. W. DEPT.

No. 131 A.

Dated February 6, 1867.

Received 13th July 1867.

Exec 1 ✓

Forwards copy of Report by the Accountant General, Public Works Department, on audit of Railway Accounts at Madras.

No. 673 - 5th March 67

Mr Rau Order

673
& No. 673

Recorded with reference
to G.O. dated the 29th January
1867, No. 57.

Sent to Examiner
5th March 1867

To The Consulting Engineer
for Railways ✓

Dispd 7/3/67

No 98 - 99

22nd July 1867 Ans'd