

(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.	1096	Press
		Mis.
Dated	18	

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
19th April 1871.*

No. 254. Read the following Circular letter from the Deputy Secretary to the Government of India, Public Works Department, (Account—Railway,) to the Secretary to the Government of Madras, Public Works Department, dated Fort William, 22nd March 1871, No. 3-R. :—

THE Rules and Forms of Accounts for State Railway Workshops provide for work executed for only the Railway concerned. In accordance with the procedure described in Section 7 of the Railway Rules, the shop out-turn is issued to the line at its actual cost price, exclusive of the cost of (1st) Establishment, (2nd) depreciation of the value of machinery and block, and (3rd) interest on the Capital sunk in the establishment.

2. But as there is no desire to prevent these workshops being employed and utilized when convenient for the wants of other Government Departments, or of the public, it is necessary that provision should be made in the rules and forms of accounts for dealing with requisitions of this nature, which, as a matter of course, will have to be treated differently to expenditure on account of the Railway itself.

3. The cost of work done for the Railway itself is made up of labour, materials, and certain general charges, exclusive of the three items mentioned in the 1st paragraph. These general charges are cleared by a per-centage on the labour and materials, and now, in the case of work undertaken for other Government Departments and for the public, there will require to be an additional per-centage to clear the three further items alluded to, namely, Establishment, Depreciation, and interest of Capital. This additional per-centage must be sufficiently liberal to cover these expenses and to ensure also a certain rate of profit which should be considered necessary to render the acceptance of such orders properly remunerative to the Railway. It will be calculated on actual data, and will be fixed from time to time by the Superintendent of the Workshops, subject to the approval of the Government under whose orders the Railway is placed.

4. The foregoing rule applies to work for which no estimate has been tendered. Work estimated for will be charged for according to the estimated rate; in these cases the difference between the actual cost and the estimated cost taking the place of the additional per-centage.

5. In dealing with expenditure of this description, the procedure will be as follows :— Whilst the work is in progress, it will be accounted for and carried through the day-books in precisely the same manner as work for the Railway is dealt with, i.e., it will be debited through the account "Works in Progress" with the actual cost of labour and materials expended upon it, and the per-centage on account of general charges. On completion, the job, if not estimated for, will be charged with the additional per-centage; or if estimated for, with the difference between the amount debited to it and the amount of the estimate. This adjustment will be made in Form No. 27 W—"The Register of Goods despatched"—which is the only one of the workshops forms that will require to be modified. Form No. 27 W will, under the new arrangement, be in two parts. The first part, No. 27 W—A, will be entirely devoted to Railway transactions, and with the exception of the alteration of the number, will remain exactly as it is. The second

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part, No. 27 W—B, for private and departmental work, will be arranged in the manner shown in the accompanying specimen form.

6. The value of work done for the public will be debited to the head "Sales," and that supplied to the several Government Departments to the head "Transfers." The debits to the former will be relieved by the cash payments of customers, and the account will be closed through "Balance." The account of "Transfers" will be closed through "Government." The cash receipts on account of "Sales" will be paid into the Treasury, the amounts being debited to the Civil Department, and the account closed through "Government" in the ordinary way.

7. The difference between the actual cost of the work as debited to the account "Works in Progress" and that at which it is issued from the shops will be credited to "Profit and Loss." The credits to this account whilst the line is under construction will go to reduce the Capital outlay of the Railway, but when any portion of the line is opened for traffic, the profit must be credited to the general Revenue Account.

8. The additional headings and columns required to show the transactions under the head "Sales" should be provided in the Cash Account Current and the Cash Abstract Book.

9. A set of Journal entries working up to those shown in the accompanying Form (No. 27 W—B) is forwarded for information and guidance. In these it has been assumed that the work has been done, issued, and paid for in the same month.

10. A Standing Order modifying the rules and forms will issue in due course; in the meantime the procedure described in this Circular should be observed in all establishments where the State Railway Forms of Accounts have been adopted.

RAILWAY FORM No. 27 W—B.
SECTION 7—PART.

Register of Goods despatched from the Workshops to other departments and the public during June 1870.

Date.	No. of Invoice.	Work No.	Description.	To whom sent.	Actual cost as debited to the head "Works in Progress."		Additional percentage or difference between actual cost and amount of estimate.		CHARGEABLE TO		Remarks.
					RS.	A. P.	RS.	A. P.	RS.	A. P.	
3	7	201	5 Roof-girders	Mr. Smith, Lahore	728	0 0	72	0 0	800	0 0	Estimate Rs. 800.
...	10	207	500 Pick-axes	Executive Engineer, Public Works Department, Lahore	1,140	0 0	360	0 0	1,500	0 0	Rs. 3 each.
4	17	194	8 Roof trusses	Mr. Jones, Contractor, Jhelum	270	0 0	81	0 0	351	0 0	No estimate.
17	28	174	400 Pioneers' shovels.	Ferozpoor Arsenal	905	0 0	295	0 0	1,200	0 0	Estimate Rs. 3 each.
21	30	204	Repairs to Steam engine.	Executive Engineer, Public Works Department, Jhelum	94	0 0	28	0 0	122	0 0	No estimate.
				[and so on.]							
				Total...	3,137	0 0	836	0 0	2,822	0 0	1,151 0 0

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JOURNAL ENTRIES.

RS. A. P.	CASH BOOK.	RS. A. P.
1,151 0 0	<i>Cash Dr. to Sales to (receipts from customers) ...</i>	1,151 0 0
1,151 0 0	<i>Civil Department Dr. to Cash (payments into Treasury on account of sales) ...</i>	1,151 0 0
FROM DAY BOOKS.		
3,137 0 0	<i>Works in progress Dr. to Sundries (for expenditure on Private and Departmental requisitions.)—</i>	
	Labour ...	800 0 0
	Stores ...	2,200 0 0
	General charges ...	137 0 0
FORM No. 27 W.—B.		
	<i>Sundries Dr. to Sundries—for adjustment of the value of finished work despatched to other departments and the public.</i>	
TRANSFERS—		
1,622 0 0	Public Works Department ...	
1,200 0 0	Military Department ...	
1,151 0 0	SALES—	
	Works in progress ...	3,137 0 0
	Profit and Loss ...	836 0 0

No. 255.

ORDER THEREON, 19th April 1871, No. 1,096.

RAILWAY, No. 39.

COMMUNICATED to the Consulting
Engineer for Railways.

(True Extract.)

Colonel, R.E.,

Secretary to Government.

To the Acting Consulting Engineer for Railways.

Exd. E. C. Shunker.

Rev. 1071 Separate
No. 1539

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
ACCOUNT.
Railway.

To

CIRCULAR No. 3 RAILWAY.

Dated March 22, 1871.

Received 3rd April

To
Com: Surge for Railways

Railways

2nd 1st 2nd 3rd
19th April 1871

Recd 20/4/71

Com: Surge to the Consulting Engineer for

1096

WJ

Modification of Rules and Forms of
Accounts for State Railway Workshops to
provide for work being done for Govern-
ment Departments and the public.

P. W. D. Press—25-3-71—25.

1096 2/19th April 1871

With an order

1871
Bill of 1871 Madras.

PUBLIC WORKS.

The Ag. Committee Engrs.
for Railways.

19th April 1876

Nos. 264 & 265

Account of the
from the Engrs. to the
Govt. of the Madras
Railways. Work done &
done for the Govt.
to the public, & the
of the Madras Railways.