M.R.O. 1—77,006—3-6-37.

(1) Number of pages 4

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(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Public works **DEPARTMENT.**

G.O. No. 219. Press —Mis.
444-445

Dated 25 1 1847.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 25th January 1871.

No. 444. Read the following Proceedings from the Government of India, Public Works Department, (Account—General,) dated Fort William, 13th December 1870, No. 578-A.—G. :—

Mode of dealing with charges for London Stores in the Accounts of the Public Works Department.

Read the following :—

Note by Lieutenant-Colonel J. J. McLEOD INNES, V. C., R. E., *Accountant-General, Public Works Department,— No.* 1,904, *dated 24th November* 1870.

THE Secretary of State having decided that payments made in England on account of stores supplied for the Public Works Department in India shall continue to be treated as final charges in the Home Accounts, it will be necessary to modify the orders contained in Public Works Department Resolution No. 133-47 A.—G. of 11th March last, which provide for treating these payments as cash remittances to India.

To carry out the requirements of the Financial Department consequent on the Secretary of State's orders, the Home charges for Public Works Stores must be kept quite distinct from the Indian expenditure; whilst it is at the same time desirable, for the purposes of the Public Works Department, that these charges should not be excluded from the accounts of the works or service heads to which they may properly appertain.

To secure this two-fold object, it will be necessary to open two new suspense heads of account, namely, "London Invoices" and "London Stores" for Ordinary and Extraordinary tran sactions, respectively.

The account "London Invoices" will be credited with the value of stores, etc., actually received in serviceable order for Public Works only, the amount to be calculated at the Invoice rates, including freightage paid in England on the stores received. No credit will be raised in this account until the stores shall have been actually received. The value of supplies charged for in the Invoice, but not received, will not be taken into account, but the amount of such short deliveries, or of any damage which may be caused to the stores in transit, should be reported to the Accountant-General, Public Works Department, who will cause it to be noted in the Register of Invoices which is kept up in his Office. In this way, all charges to Profit and Loss on this account will be avoided, whilst the works will be debited only with the actual value of the stores received. The account will be closed annually "To Grant," and the difference between the amount thus written off and the total debts to the grant, which will now include the cost of London Stores, will represent the actual expenditure of the year on Public Works in India.

Thus, supposing the total grant to be 25 lakhs, the total expenditure, including London Stores 22 lakhs, and the value of the London Stores received during the year 3 lakhs, the Journal entries would be as follows :—

		Lakhs.
"Government Dr. to Grant," for total amount of Ordinary Grant...		25
Deduct probable payments in England on account of London Stores, as per Secretary of State's estimate	A 5	— 20
"London Invoices Dr. to Grant," for value of Stores received during the year	B 3	— 23
"GRANT DR. TO SUNDRIES."		
"To Disbursing Department," for expenditure against Budget grant, including value of London Stores received...	C 22	
To "Government," for saving on portion of grant available for expenditure in India		1
		23

A—B, represent difference between Secretary of State's estimate and actual value of stores received during the year.
C—B, represent the Indian outlay which in this case is 19 lakhs.

The account "London Stores" will be debited with the amounts credited to "London Invoices," and also with all expenditure incurred on account of the stores in India. This account will be relieved and closed as follows:—

I.—By Works, for cost of all stores supplied for specific works, the credit to be given when the stores are received at the works.

II.—By Tools and Plant, for articles comprised under this head, on their receipt by the Divisional Officer concerned.

III.—By Stock, for cost of stores received for general purposes, on their being brought on to the Divisional Stock Returns.

IV.—By balance for charges not yet written off to one or other of the above heads. Any increase or decrease in this balance will, of course, have to be added to, or deducted from, the expenditure against grant in the same manner as increase or decrease of the Stock Balance.

In order to obtain the needful credit entries for clearing this account, a Register will have to be kept up by the officers who receive the stores in the following form:—

Work or head of service for which Stores are supplied.	Description of Stores.	Number and date of Invoices.	Cost of Stores received, including proportion of freight paid in England.	Charges in India.				Total amount carried to credit of London Store Account.
				Usual proportion of freight.	Landing charges.	Carriage.	[Other charges, if any.]	

Any increase or decrease in the balance of the account London Stores will, of course, be added to, or deducted from, the total expenditure of the year recorded against the grant, as in the case of an increase or decrease in the ordinary Stock Balance.

The value of stores supplied for the Roorkee and other similar Government Workshops will be carried at once to credit of "Revenue" and debit of "Deposits." Stores supplied to Native States will continue to be paid for in cash as at present.

Payments made in England on account of stores supplied for Local Fund Works will be treated as cash remittances to India, and will be carried to the credit of the present London Account as heretofore, under Secretary of State's orders, Despatch No. 8, dated 11th January 1870. It would be convenient if the Secretary of State would permit a similar course to be adopted in regard to stores supplied for Native States and Government Workshops, the cost of which does not affect the Budget grant or the revenues of India, and I would suggest that the Home Government be addressed in this view.

The changes proposed in this note may be made with effect from the 1st April 1870.

RESOLUTION.—His Excellency the Governor-General in Council approves of the arrangement by which the Accountant-General proposes to exhibit the charges for London Stores in the accounts of the Public Works Department, and directs that it be introduced with effect from the 1st April 1870. It has already been suggested to the Secretary of State* that the cost of stores chargeable to

*Despatch No. 159, dated 14th October 1870.

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funds other than the ordinary Public Works Budget Grant should be treated as cash remittances to India.

ORDER.—Ordered that the foregoing Resolution be forwarded to the several Local Governments and Administrations noted in the margin, and to the Accountant-General, Public Works Department, for information and guidance.

Governments of Madras, Bombay, Bengal, North-Western Provinces and Punjab.
Chief Commissioners of Oudh, Central Provinces, British Burmah and Mysore.
Resident at Hyderabad.
Agents to the Governor-General for Central India and Rajpootana.
Superintendent, Port Blair and Nicobar.

Also that a copy be forwarded to the Financial Department for information.

(Signed) W. A. CROMMELIN, Colonel, R. E.,
Offg. Secretary to the Govt. of India.

No. 445. ORDER THEREON, 25th January 1871, No. 219.

ACCOUNT, No. 53.

COMMUNICATED to the Superintending Engineers, to the Controller of Public Works Accounts, and to the General Superintendent of Public Works Stores and Workshops, for information and guidance, in continuation of G. O., No. 926, dated 1st April 1870.

(True Extract.)

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

To Superintending Engineers.
To the Controller of Public Works Accounts.
,, General Superintendent of Public Works Stores and Workshops.
To Major R. B. Kennedy.

Exd. E. C. Shunker.

Gobt. of {1871} Madras.

PUBLIC WORKS.

To

SUPERINTENDING ENGINEERS,

&c., &c., &c.

Dated January 25th.

Recd. *Encl.*

G. O., 25th January 1871, No 219.

JANUARY.

Nos. 444-445

London Stores.—Proceedings of the Government of India forwarding copy of a Resolution regarding the mode of dealing with charges for London Stores in the accounts of the Public Works Department, communicated to the officers concerned.

P.W. 1870 Despatch
(111) No 5245

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
General.

To

No. 575A—G.

Dated December 13, 1870.

Received 24 do

Mode of dealing with charges for London Stores in the Accounts of the Public Works Department.

P. W. D. Press—14-12-70—112.

No 219 - 25th January 71.
With an Order.

Communicated to the Chief Engineers, Bengal, N.W.P. Bombay, and Madras, and the Superintending Engineer, Punjab, for information & guidance in continuation of P.W.D. letter No 926 dated 15th April 1870.

Dated 24th January 1871.

Sd/ R. Baynes
Under Secy. to Govt.
Sd/ R. Cecil, Asst.
Sd/ H. Ker, Under Secy.
Sd/ Pilgrim Kennedy

For Secretary to Government of India
25th January 1871

P.W. 35 Jan/71

No. 5245

Govt of [1871] Madras.

PUBLIC WORKS.

To

The Superintending Engineers

Dated

Read. Read.

G. O. 25th Jany 1871. No. 219.

Nos. 444-445

Loan to Revs. Dept.

Copy of Govt Proceedings
Copy of a Resolution re-
garding the mode of dealing
with charges for Loan
Stores in the accounts of
the P.W. Dept., Com^d. & the
Offices concerned.