

(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.
428,429

1573

Press
Mis.

Dated

28-6-

1892.

Not to be folded or roughly handled

No. 428. Read the following letter from the Secretary to the Government of India, Public Works Department, (Account—Railway,) to the Secretary to the Government of Madras, Public Works Department, (Railway Branch,) dated Simla, 10th June 1872, No. 779 A. R.—

I AM directed to acknowledge the receipt of your letter No. 1,055, dated 24th April 1872, (and accompaniments,) submitting for approval certain proposals for the adjustment of the differences between the actual and book value of the stock of the Great Southern of India Railway, and with reference thereto to record the following observations and orders.

2. With respect to the items marginally noted, the Consulting Engineer remarks that they represent expenditure, the capitalization of which has been delayed, but for which satisfactory vouchers exist. If this be correct there

Unconsumable stores issued ...	RS.	A.	P.
prior to June 1865 ...	90,067	12	4
Workshop manufactures ...	1,46,708	10	7

should be no difficulty in settling how the items should be disposed of, but then it is not clear how the delay of some years in effecting the necessary adjustments can be satisfactorily accounted for. In the absence of definite information, the Governor-General in Council considers that, unless *bonâ fide* vouchers are forthcoming, one-half of these amounts should, as a sort of compromise, be debited to Capital and one-half to Revenue.

3. The proposal made by the Consulting Engineer, that the value of the points and crossings in excess of the number actually found on the open line should be debited to Revenue, is approved, on the understanding that the Consulting Engineer himself, or by his Deputy, examines the line forthwith and sends forward the result within a reasonable period, say two months, otherwise the whole of the points and crossings accounted for must be met from Revenue.

4. That any portion of the sum of Rupees 5,740-7-11, representing miscellaneous expenditure unaccounted for, should be charged to Capital as recommended by the Consulting Engineer, appears inadmissible. The entire amount should be charged off at once to Revenue.

5. Beside the above items there is a further amount to be dealt with, namely, Rupees 99,723-3-7, being the difference between the book and actual value of the stores in hand. The Consulting Engineer recommends that the first and second items making up the above amount, namely, the value of unserviceable fencing and unserviceable sleepers, amounting to Rupees 12,603-10-9, and Rupees 24,853-8-10, respectively, be charged to Capital, as these amounts represent the total breakages since the commencement of the undertaking; but it appears to the Government of India that a certain portion of these items are properly chargeable to Revenue on account of renewals and loss on the articles while in stock; a certain proportion, say 25 per cent., should therefore be debited to Revenue.

6. The next item, wastage of timber, Rupees 57,404-1-5, should, in the opinion of the Governor-General in Council, be written off wholly to Revenue, unless the most satisfactory reasons can be advanced in support of the Consulting Engineer's recommendation that a portion thereof should be charged to Capital.

*Proceedings of the Madras Government, Public Works Department,
28th June 1872.*

The mere statement, that this amount represents the wastage on timber over a series of years, cannot be received as sufficient evidence for meeting any portion of the loss from Capital.

7. The last item, namely, unaccounted for expenditure, Rupees 4,861-14-7, should be borne entirely by Revenue.

8. The papers submitted with your letter under acknowledgment certainly show that the transactions of the Store Department of the Great Southern of India Railway have been dealt with in past years in a very inefficient and unsatisfactory manner, and this, it is believed, has been due in a great measure to the absence of a proper system of check between the several Departments of the Railway. The Government of India cannot allow doubtful items of the nature of many of those under reference to be passed against Capital as a permanent burden to the State, and an addition to the public debt; the Company, however, will lose nothing by the orders now passed as they will receive their Guaranteed Interest, while the real loss will fall on the Government Revenue of the year.

No. 429.

ORDER THEREON, 28th June 1872, No. 1,573.

RAILWAY, No. 54.

Unconsumable stores issued prior to June 1865	RS.	A.	P.
Workshop manufactures	90,067	12	4
Miscellaneous expenditure unaccounted for...	1,46,708	10	7
	5,740	7	11

of expenditure are produced. Upon this satisfy himself and report in due course.

3. Adverting to paragraph 3, Major Shaw-Stewart will forthwith arrange for such an examination of the points and crossings on the line as it is now practicable to make. The adjustments ordered in paragraphs 5, 6 and 7 should be made accordingly.

(True Extract.)

Colonel, R.E.,

Secretary to Government.

To the Consulting Engineer for Railways.
,, Examiner of Railway Accounts.

Exd. T. O'Connor.

All communications
to be addressed to the
Secretary.

No. 779 A. R.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

Railway.

To

*The Secretary to the Government of Madras,
Public Works Department Railway Branch,
Simla, 10th June 1872.*

Sir,

I am directed to acknowledge the receipt of your letter No. 1055 dated 24th April 1872 (and accompaniments) submitting for approval certain proposals for the adjustment of the differences between the actual and book value of the stock of the Great Southern of Indian Railway, and with reference thereto to record the following observations and orders.

2.

* Unconsumable stores issued prior to June 1865 } Rs 90,067-12-4
Workshop manufactures 1,46,708-10-7

With respect to the items marginally noted, the Consulting Engineer remarks that they represent expenditure, the capitalization of which has been delayed, but for which satisfactory vouchers exist. If this be

correct there should be no difficulty in settling how the items should be disposed of, but then it is not clear how the delay of some years in effecting the necessary adjustments can be satisfactorily accounted for. In the absence of definite information the Governor General in Council considers that, unless bona-fide vouchers are forthcoming, one half of these amounts should ^{as a sort of} compromise, be debited to Capital and one half to Revenue.

3. The proposal made by the Consulting Engineer that the value of the points and crossings in excess of the number actually found on the open line should be debited to Revenue is approved on the understanding that the Consulting Engineer himself, or by his Deputy, examines the line forthwith and sends forward the result within a reasonable period, say two months, otherwise the whole of the Points and Crossings ~~are~~ accounted for must be met from Revenue.

4. That any portion of the sum of Rs 5,740-7-11 representing miscellaneous

expenditure unaccounted for should be charged to Capital as recommended by the Consulting Engineer, appears inadmissible. The entire amount should be charged off at once to Revenue.

5. Beside the above items there is a further amount to be dealt with viz. Rs 99,723-3-7 being the difference between the book and actual value of the store in hand. The Consulting Engineer recommends that the first and second items making up the above amount, viz. the value of unserviceable fencing and unserviceable sleepers amounting to Rspees 12,603-10-9 and Rs 24,853-8-10 respectively, be charged to Capital as these amounts represent the total breakages since the commencement of the undertaking, but it appears to the Government of India that a certain portion of these items are properly chargeable to Revenue on account of renewals and loss on the articles while in stock, a certain proportion, say 25 per cent, should therefore be debited to Revenue.

item, Rs 57404-1-5, should in the opinion of the Governor General in Council, be written off wholly to Revenue unless the most satisfactory reasons can be advanced in support of the Consulting Engineer's recommendation that a portion thereof should be charged to Capital. The mere statement that this amount represents the wastage on Timber over a series of years can not be received as sufficient evidence for meeting any portion of the loss from Capital.

7. The last item viz. unaccounted for expenditure Rs 4861-14-7 should be borne entirely by Revenue.

8. The papers submitted with your letter under acknowledgment—certainly show that the transactions of the Store Department of the Great Southern of India Railway have been dealt with in past years in a very inefficient and unsatisfactory manner and this it is believed has been due in a great measure to the absence of proper system of check between the several

departments of the Railway. The Government of India can not allow doubtful items of the nature of many of those under reference to be passed against Capital as a permanent burden to the state and an addition to the public debt; the Company however will lose nothing by the orders now passed, as they will receive their guaranteed interest, while the real loss will fall on the Government Revenue of the year.

I have the honor to be,

Sir
Your most obedt servant.

(William) Coll. R. A.
Secretary to the Govt of India.

Self

Received
 No 1573
 1872

Communicated
 to the Consulting Engi-
 neer for Railways
 with reference to G.O.
 No 1054 dated 25th April
 1872.

The differences
 registered in the margin
 should be dealt with
 as directed by the Govern-
 ment of India in
 paragraphs 2 & 4, unless
 in

Unconsumable Stores
 issued prior to June 1865
 9007.12.4
 For Peshwa manufactures - 14678.10.1
 Miscellaneous Expendi-
 ture unaccounted for } 540.7.11

No 24 dated 17th Nov 1872
 363

P. N. 1872 Received
 From G. H. G. of the
 No 2987

From
 the Grants of India

Valued 10" } June 1872
 Received 17.3 }
 No 77294.10

Showing also
 on payments for the
 adjustment of the
 differences between
 the actual and world
 value of stock in the
 Great Southern of India
 Railway -
 No 1573-28 June 1872

No 1573-28 June 1872
 No 1573

18-19-20-21-22-23-24-25-26-27-28-29-30-31-32-33-34-35-36-37-38-39-40-41-42-43-44-45-46-47-48-49-50-51-52-53-54-55-56-57-58-59-60-61-62-63-64-65-66-67-68-69-70-71-72-73-74-75-76-77-78-79-80-81-82-83-84-85-86-87-88-89-90-91-92-93-94-95-96-97-98-99-100

in the case of the two
former items bona fide
vouchers of expenditure
are produced. Upon this
point the Consulting
Engineer will satisfy
himself and report in
due course.

Adverting to
Paragraph 3. Major
Shaw Stewart will
forthwith arrange for
such an examination
of the points and cross-
ings on the line as
it is now practicable to make.

The adjustments ordered
in paragraphs 5, 6 & 7 should
be made accordingly.

To The Comd'g Eng^r for Railway
Examiner. Railway Dept.

2187

C/2 2987

Govt. of 1872 Madras.

PUBLIC WORKS.

To The Consulting Eng^s
for Railways

Dated

Recd.

Encl.

G. O 28 June 1872, No 21573.

Nos. 4287429

Shack. Letter from the
Govt. of India passing or-
ders on proposals for
the adjustment of the
differences between the
actual and book value
of stock in the G & S Ry.
Can't Wm) one page with
instructions.