

(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. 2039-2040 444-446	Press Mis.
Dated 27. 8. 1892.	

Not to be folded or roughly handled

No. 444. Read the following letter from the Consulting Engineer for Railways, to the Secretary to Government, Public Works Department, dated Madras, 12th August 1872, No. 421 :—

WITH reference to G. O. No. 1,579 of the 1st ultimo, I have the honour to submit letter No. 498 of the 15th idem, with enclosures, from the Agent of the Madras Railway upon the subject of the defalcation of Mr. Gay, late a Station Master in the employ of that Company.

2. The Agent while admitting that there is no system of audit which can altogether prevent irregularities in the station accounts, is firmly of opinion that in the case in question the accounts clearly showed a debit against the station, and that the decision of the Court in favour of Mr. Gay was a miscarriage of justice.

3. A copy of the Coimbatore station accounts, from week ending 2nd July to week ending 17th December 1870, is forwarded to explain the system adopted :—

No. 1 column shows the station debit.

„ 2 „ „ the Audit Office do.

„ 3 „ „ the errors against or in favour of Station Master.

„ 4 „ „ the cash remitted.

„ 5 „ „ the balance due by the station.

4. The objection taken by the First Judge of the Small Cause Court before whom the case was tried, was that specifications making up the sum claimed were not included in the sums remitted to the Cashier. In regard to this the Agent writes that “the only means of meeting the requirements of the Judge before whom Mr. Gay’s case was tried would have been the advice of a system of accounts providing for the separate remittance and acknowledgment of the sums received for each individual passenger, horse, carriage, and dog ticket, each parcel, each consignment of goods, each excess fare, and every separate item which goes towards making up the accounts at a Railway station.

“Were such a system possible however, I conceive that the Government will agree with me in thinking that it would be rather an extravagant method of meeting what it is to be hoped are but the peculiar ideas of one Judge.”

5. With reference to the inquiry made by the Government of India as to whether there is any chance of recovering the just dues of the Company from Mr. Gay, the Chief Auditor suggested that if he has found employment in the Government service he might be called upon to clear up his accounts with the Railway Company, and from a subsequent letter,* I learn that Mr. Gay is employed as the Band Serjeant of Her

*From Agent, No. 551, dated 5th August 1872, enclosed.

Majesty’s 45th Regiment. The Agent, however, records his disapproval of employing private means for obtaining the money after the man has once been declared to be not liable in law.

6. The Traffic Manager writes that there is no reason to suppose that Mr. Gay “withheld any monies; but he was responsible to the Company for the proper collection of the Company’s dues at his station, and should have been in a position, as Station Master, to say by whom the amount was to be paid.

“The course demanded by the Court, however, relieved him entirely from going into the accounts.”

*Proceedings of the Madras Government, Public Works Department,
27th August 1872.*

7. The Examiner of Railway Accounts wrote as follows a few days ago:—
“Since the time when Mr. Gay’s defalcation took place various improvements in the method of accounting for the traffic receipts and of auditing them have been introduced, and the present system seems to be well suited to insure correct accounting for and auditing of the traffic. Although there are some disadvantages in the use of an account current, I do not see what can be substituted for it.”

8. The system of traffic audit and of traffic collections on the Madras Railway has been frequently discussed by me with the Railway Authorities and with the Examiner of Railway Accounts. I agree with those officers in the opinion that the action of the Travelling Auditors, whose appointment was sanctioned on the 15th July 1872,† will result in the station accounts being submitted with increased punctuality and accuracy, and that any possible frauds will, therefore, be more speedily detected. I do not think it is possible to devise any system which will render frauds impossible.

* Vide G. O. No. 1,696.

From the Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 15th July 1872, No. 128.

With reference to Order of Government, No. 1,579, dated the 1st instant, and to your letters Nos. 523 and 549 of the 9th and 12th instant, respectively, I have the honour to invite your attention to the papers noted in the margin, and also to the enclosed copies of reports made to me by the Traffic Manager* and the Chief Auditor† since the receipt of your letters mentioned above upon the subject of the defalcation of Mr. Gay, lately a Station Master in the employment of this Company.

2. The Chief Auditor in his report suggests that the addition to his staff of the Travelling Auditors, for which application has been made to the Government, may be the means of preventing deficits in station accounts; but after considerable experience of railway working, I have no hesitation in saying that, although the employment of additional Travelling Auditors will unquestionably diminish the chances of fraud, there is no system of audit that I am acquainted with which can altogether prevent irregularities such as the one now under notice. If there were there would be no necessity for our insisting upon the deposit of security by all employees holding responsible situations.

3. It is, as explained by the Traffic Manager, impracticable, and, in my opinion, it is unnecessary that the accounts at each station should be examined daily. In Mr. Gay’s case, upon his leaving the service, his security of Rupees 500 was not returned to him until his accounts had been examined and balanced. The result of the examination showed a balance against Mr. Gay of Rupees 415-7-11,* which sum had accumulated during a period of three weeks, and the amount was deducted from the 500 Rupees, which, in view to meet such a case, he had deposited with the Company as security.

4. Mr. Gay, however, refused to receive the balance of his security, and brought an action against the Company to recover the whole amount of Rupees 500. At the trial, evidence was adduced to prove each item composing the debit balance, whilst it was shown that the total cash remitted by Mr. Gay to the Cashier was less than his debits by Rupees 415-7-11, the amount of the Company’s claim.

5. The Judge, however, declined to admit the result of the account current, and required proof that specific items making up the sum claimed were not included in the sums remitted to the

*Proceedings of the Madras Government, Public Works Department,
27th August 1872.*

Cashier. It certainly seems incredible that with each item composing the debit side, and the totals of the credit side of the account proved, it should not have been apparent that the balance was due by or to the person in account; it is nevertheless true that the First Judge of the Small Cause Court at Madras refused to receive as evidence a proved account current, and as there is no appeal at law against his decision, there does not, I regret to say, appear to be any possibility of recovering the amount due to the Company by Mr. Gay.

6. I can only say that such a loss to any Railway Company in England would, as I believe, have been impossible, for I have frequently seen cases of a similar nature tried before English County Court Judges and settled in favour of the Company upon evidence precisely similar to that submitted in Mr. Gay’s case.

7. I would suggest that the Government should depute an officer to inquire into the circumstances, and to offer an opinion as to whether the system of audit was at fault, or whether there has been a failure of justice in this case.

8. I do not, as I have stated before, claim that the audit in force on the Madras Railway is such as will altogether prevent fraud; but the statement of station balances, which is at all times open to the inspection of the Government Examiner, and is, from time to time, submitted to the Government, is, I conceive, the best proof that the system is not defective.

9. The only means of meeting the requirements of the Judge before whom Mr. Gay’s case was tried would have been the device of a system of accounts providing for the separate remittance and acknowledgment of the sums received for each individual passenger, horse, carriage, and dog ticket, each parcel, each consignment of goods, each excess fare, and every separate item which goes towards making up the accounts at a railway station.

10. Were such a system possible however, I conceive that the Government will agree with me in thinking that it would be rather an extravagant method of meeting what it is to be hoped are but the peculiar ideas of one Judge.

From the Chief Auditor, to the Agent and Manager of the Madras Railway Company, dated Madras, 11th July 1872, No. 703.

In reply to the Consulting Engineer’s letter No. 528, dated 9th instant, I beg to inform you that it has been the practice of the Audit Office to bring to the notice of the Traffic Manager, weekly, the state of the balance at each station. The balances are recorded in a book on which is obtained the acknowledgment of the Traffic Manager or one of his Assistants.

2. A change in respect to the advice of errors in station accounts, and the bringing of such errors to account, has been lately introduced, which, it is hoped, may more perfectly involve Station Masters in their responsibility for their accounts than our former system seems to have done, as I am given to understand, in the opinion of the Judge who tried the case.

3. As to the chances of our recovering any part of the amount due by Mr. Gay, I must refer you to the Traffic Manager. It is, however, suggested that if Mr. Gay has found employment in the Government service, he might be called on to clear up his accounts with the Railway Company, etc.

4. No system that I can suggest will insure on all occasions a prompt recovery of traffic collections, because that must necessarily depend on the time the public remove their goods; but it is hoped, when our staff of Travelling Auditors is sanctioned, that the risk of loss by default of Station Masters will be lessened, though at a considerable cost to the Company, and, as a consequence, to the Government also.

From the Traffic Manager, to the Agent and Manager of the Madras Railway Company, dated Madras, 13th July 1872, No. C-311.

Station Accounts.

The existence of outstandings in station accounts is systematically brought to the notice of this department; but as it is impossible that station accounts can be audited in less than three weeks or a month, it will often happen, and does happen, that such outstandings are not brought to light until after a Station Master has left the service, the outstandings accumulating, as in Mr. Gay’s case, during the last few weeks of his engagement.

*Proceedings of the Madras Government, Public Works Department,
27th August 1872.*

2. There was nothing defective in the system, in my opinion, to prevent the Company from recovering its just dues; but we had the misfortune to be dragged into Court, where sufficient patience and forbearance was not shown to enable the Company to prove the debt.

From the Traffic Manager, to the Agent and Manager of the Madras Railway Company, dated Madras, 15th July 1872, No. C.-311.

Mr. Gay's defalcation.

PERHAPS the most simple way to explain this matter will be to forward, for the Consulting Engineer's information, a copy of the Coimbatore station accounts, from the week ending 2nd July to week ending 17th December 1870, which shows week by week:—

In No. 1 column the station debit.

" " 2 " the Audit Office debit.

" " 3 " the errors against or in favour of the Station Master.

" " 4 " the cash remitted.

" " 5 " the balance due by the station.

2. Subsequent to Mr. Gay's leaving the service, a sum of Rupees 133-6-0 was recovered from some of the booking and parcels clerks, which reduced Mr. Gay's liability to Rupees 312-1-11.

3. There is no reason to suppose that Mr. Gay withheld any monies, but he was responsible to the Company for the proper collection of the Company's dues at his station, and should have been in a position, as Station Master, to say by whom the amount was to be paid.

4. The course demanded by the Court, however, relieved him entirely from going into the accounts.

From the Agent and Manager of the Madras Railway Company, to the Consulting Engineer for Railways, dated Madras, 5th August 1872, No. 551.

I HAVE the honour to state, in reply to your letter of the 31st ultimo, No. 606, that I learn from the Chief Auditor that Mr. Gay is employed as the Band Serjeant of Her Majesty's 45th Regiment.

2. In furnishing you with this information I feel bound to observe that I do not concur in the suggestion made by the Chief Auditor in his letter of the 11th July, No. 703, that "if Mr. Gay has found employment in the Government service he might be called on to clear up his accounts with the Railway Company."

3. The Company's claim having been tried, and the Judge having decided the case in Mr. Gay's favour, however much I disagree with that decision, I do not think that private means should be adopted for obliging the man to pay money for which he has been declared to be not liable in law.

No. 445.

ORDER THEREON, 27th August 1872, No. 2,039.

RAILWAY, No. 74.

ORDERED that these papers be forwarded for the information of the Government of India, with reference to their observation contained in letter No. 788 A. R., dated 14th June 1872:—

(Here enter No. 2,040, dated 27th August 1872.)

(True Extract.)

Colonel, R.E.,

Secretary to Government.

To the Consulting Engineer for Railways.
Exd. E. C. Shunker.

PUBLIC WORKS DEPARTMENT,
OOTACAMUND, 27th August 1872.

No. 446.

No. 2,040.

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

PUBLIC WORKS DEPARTMENT.

RAILWAY, No. 75.

SIR,—With reference to your letter No. 788 A. R., dated 14th June 1872, I am directed to forward, for the infor-

mation of the Government of India, the accompanying correspondence and accounts in elucidation of the system of audit adopted on the Madras Railway, more particularly in connection with the irrecoverable amount of Rupees 312-1-11 due by Mr. Gay, late a Station Master at Coimbatore.

2. It appears to His Excellency in Council that, with the exception of a more prompt adjustment of station accounts, the system of audit in force leaves little room for improvement, and with the aid of the Travelling Auditors recently sanctioned by the Government of India there should be no difficulty in exercising such a personal check over those accounts as will in future effectually preclude the recurrence of irregularities similar to that under notice.

I have the honour to be,

Sir,

Your most obedient servant,

Colonel, R.E.,

Secretary to Government.

Exd. E. C. Shunker.

RAILWAY DEPARTMENT.

CONSULTING ENGINEER'S OFFICE.

No. 421.

From

Lieut. Col. J. H. M. Shaw Stewart, P.E., C.E.,
Consulting Engineer for Railways.

To

Colonel J. H. Walker, P.E.,
Secretary to Government,
Public Works Department,
Fort Saint George.

SIR,

With reference to G.O. No. 157, of the 1st ultimo, I have the honour to submit letter No. 498 of the 15th idem, with enclosures, from the Agent of the Madras Railway upon the subject of the defalcation of Mr. Jag Lake a Station Master in the employ of that Company.

2. The Agent, while admitting that there is no system of audit which can altogether prevent irregularities in the Station accounts, is firmly of opinion that in the case in question the accounts clearly showed a debit against the station and that

the

the decision of the Court in favour of Mr Gay was a miscarriage of justice.

3. A copy of the Secimbore station accounts from week ending 2nd July to week ending 17th December 1890, is forwarded to explain the system adopted.

N^o 1 Column shows the station debit

2. ———— Auditor Office do

3. ———— Errors against or in favour of Station Master.

4. ———— Cash remitted.

5. ———— Balance due by the station.

4. The objection taken by the first Judge of the Small Cause Court before whom the case was tried, was that specifications making up the sum claimed were not included in the sums remitted to the Cashier. In regard to this the Agent writes that the only means of meeting the requirements of the Judge before whom Mr. Gay's case was tried would have been the advice of a system of accounts providing

for

for the separate remittance and acknowledgment of the sums received for each individual passenger, horse, carriage and dog ticket, each parcel, each consignment of goods, each access fare, and every separate item which goes towards making up the accounts at a Railway station.

Were such a system possible, however, I conceive that the Government will agree with me in thinking that it would be rather an extravagant method of meeting what it is to be hoped are but the peculiar ideas of one Judge.

5. With reference to the inquiry made by the Government of India as to whether there is any chance of recovering the just dues of the Company from Mr. Gay, the Chief Auditor suggested that if he had found employment in the Government service he might be called upon to pick up his accounts with the Railway

Company;

Company;

Company, and from a subsequent letter I learn that Mr. Gay is employed as the Band Sergeant of Her Majesty's 45th Regiment. The Agent however records his disapproval of employing private means for obtaining the money after the man has once been declared to be not liable in law.

x From Agent
No 587 of 5 Aug
1872 (enclosed)

6. The Traffic Manager writes that there is no reason to suppose that Mr. Gay withheld any monies, but he was responsible to the Company for the proper collection of the Company's dues at his station, and should have been in a position as Station Master, to say by whom the amount was to be paid.

The court, however, relieved him entirely from going into the accounts.

The Examiner of Railway accounts writes as follows a few days ago.

Since the time when Mr. Gay's deception took place various improvements

3
ments in the method of accounting for the traffic receipts, and of auditing them have been introduced, and the present system seems to be well suited to ensure correct accounting for and auditing of the traffic. Although there are some disadvantages in the use of an account current, I do not see what can be substituted for it.

8. The system of traffic audit and of traffic collections on the Madras Railway has been frequently discussed by me with the Railway Authorities and with the Examiner of Railway Accounts. I agree with those Officers in the opinion that the action of the Travelling Auditors, whose appointment was sanctioned on the 15 July 1872, will result in the station accounts being submitted with increased punctuality and accuracy, and that any possible frauds will therefore be more speedily detected. I do not think

x vide J.O.
7.1696

it is possible to devise any system which will render frauds impossible

I have the honour to be

Sir

Your most obedient servant

Madras
12th August 1872

Mountstuart Lieut. Col. C.E.,

Chief Eng. for Railways.

Recd. to Mr. H. G. G. 14/8/72

Dep. Secy. to Govt.
P. W. Department,
Fort St. George.
1872.

From
The Consulting Engineer
for Railways.
To
The Secretary to Government,
P. W. Department,
Fort St. George.
1872.

RAILWAY DEPARTMENT.

1st M. 1872. No. 3953.

137-4

Madras Railway
Agent & Manager's Office
Madras 15th July 1872

No 498

From

A. B. Edwin Esqre,
Agent and Manager
Madras Railway Company

To

Lieut. Col. J. H. B. Shaw Stewart Esq
Consulting Engineer for Railways

Sir

With reference to Order of Government No 1579 dated the 1st instant and to your letters Nos 528 and 549 of the 9th and 12th instant respectively, I have the honour to invite your attention

Minutes of meeting of Committee held at Royapooram 9th April 1872
G. O. No 1127 - 3rd May 1872
Agent & Manager's letter No 232 17th April 1872

to the papers noted in the margin and also to the enclosed Copies

of Reports made to me by the Traffic Manager and the Chief Auditor since the receipt of your letters mentioned above, upon the subject of the defalcation of Mr. Gay lately a Station Master in the employment of this Company.

The Chief Auditor in his Report suggests that the addition to his staff of the travelling

15/10/11

Auditors for which application has been made to the Government may be the means of preventing deficits in station accounts, but after considerable experience of Railway working I have no hesitation in saying that although the employment of additional Travelling Auditors will unquestionably diminish the chances of fraud, there is no system of audit that I am acquainted with which can altogether prevent irregularities such as the one now under notice. If there were there would be no necessity for our insisting upon the deposit of security by all employes holding responsible situations.

3. It is as explained by the Traffic Manager, impracticable, and in my opinion it is unnecessary that the accounts at each station should be examined daily. In Mr. Gay's case upon his leaving the service, his security of Rs 500 was not returned to him until his accounts had been examined and balanced. The result of the examination showed a balance against Mr. Gay of Rs 445-7-11.

* The deficit balance of Rs 445-7-11 was subsequently recovered by the Railway clerks and balanced. The result of the examination showed a balance against Mr. Gay of Rs 445-7-11.

17 186

which sum had accumulated during a period of 3 weeks and the amount was deducted from the five hundred Rupees which in view to meet such a case he had deposited with the Company as security.

4. Mr. Gay however refused to receive the balance of his security and brought an action against the Company to recover the whole amount of Rs 500. At the trial evidence was adduced to prove each item composing the debit balance, whilst it was shown that the total Cash remitted by Mr. Gay to the Cashier was less than his debits by Rs 415-7-11 the amount of the Company's claim.

5. The Judge however declined to admit the result of the Account Current and required proof that specific items making up the sum claimed were not included in the sums remitted to the Cashier. It certainly seems incredible that with each item composing the debit side, and the totals of the credit side of the Account

19 10. 7
proved, it should not have been apparent that the balance was due by or to the person in account. It is nevertheless true that the first Judge of the Small Cause Court at Madras refused to receive as evidence a proved Account Current, and as there is no appeal at Law against his decision, there does not I regret to say appear to be any possibility of recovering the amount due to the Company by Mr. Gay.

6. I can only say that such a loss to any Railway Company in England would as I believe have been impossible, for I have frequently seen cases of a similar nature tried before English County Court Judges and settled in favour of the Company upon evidence precisely similar to that submitted in Mr. Gay's case.

7. I would suggest that the Government should depute an Officer to inquire into the circumstances and to offer an opinion as to whether the system of audit was at fault or whether there has been a failure of justice in this case.

6/11/5
8. I do not, as I have stated before, claim that the audit in force on the Madras Railway is such as will altogether prevent fraud, but the statement of Station balances which is at all times open to the inspection of the Government Examiner and is from time to time submitted to the Government is I conceive the best proof that the system is not defective.

9. The only means of meeting the requirements of the Judge before whom Mr. Gay's case was tried would have been the device of a system of Accounts providing for the separate remittance and acknowledgment of the sums received for each individual Passenger, Horse, Carriage and Dog Ticket, each parcel, each Consignment of goods, each excess fare, and every separate item which goes towards making up the accounts at a Railway station.

10. Were such a system possible however, I conceive that the Government will agree with me in thinking that it would be rather an extravagant method of meeting what it is

13. 11. 9

to be hoped are but the peculiar
ideas of our Judge.

I have the honour to be
Dear
Your most obedient servant

W. J. K. W. M.
Agent and Manager

Madras Railway Company
Chief Auditor's Office
Madras, 11 July 1872.

At 703.

Dear Sir,
In reply to the Consulting Engineer's letter of 528 dated 9th instant, I beg to inform you that it has been the practice of the Audit Office to bring to the notice of the Traffic Manager, weekly, the state of the balance at each station. The Balances are recorded in a book on which is obtained the acknowledgment of the Traffic Manager or one of his assistants.

It changed in respect to the advice of erroneous station accounts, and the bringing of such errors to account, has been lately introduced, which it is hoped may more perfectly involve station masters in their responsibility for their accounts than our former system seems to have done, as I am given to understand, in the opinion of the Judge who tried the case.

As to the chances of our recovering any part of the amount due by Mr. Jay, I must refer you to the Traffic Manager. It is, however, suggested that if Mr. Jay has found employment in the Government service he might be called on to clear up his accounts with the Railway Company &c.

No system that I can suggest, will insure on all occasions a prompt recovery of traffic collections, because that must necessarily depend on the time the public remove

From 528

Agreed to Managers
H. H. Broadway

The same is given
per Railways

Corrected 15th July 1872.
Specd 16.5

10498

Forwarding with Remits
Chief of Consulting
Engineering Department to the
Treasurer by the do.
Treasurer of the do.
late of the do.
Conductors

P.H. 3933/72.

their funds; but it is hoped, when our staff
of Travelling Auditors is reconstituted, that
the risk of loss by default of station
masters will be lessened, though not a
considerable cost to the Company, and
as a consequence, to Government also.

Yours faithfully,
H. C. Church,
Chief Auditor.

The Agent & Manager.

C/423
321

Madrass Railway
Traffic Manager's Office
Madrass 13th July, 1872.

To

The Agent and Manager,
M. R. Co.

Dear Sir,

Station Accounts

Order of Government No. 1579 of 1st instant
and Comr. Engineer's letter No. 528 of 9th Idem.

The existence of Outstandings in
Station Accounts is systematically brought
to the notice of this Department, but as it is
impossible that Station Accounts can be
audited in less than 3 weeks or a month, it
will often happen, and does happen, that such
Outstandings are not brought to light until
after a Station Master has left the service -
the Outstandings accumulating; as in Mr.
Pays case, during the last few weeks of his

engagement.

There was nothing defective in the
system, in my opinion, to prevent the Company
from recovering its just dues, but we had
the misfortune to be dragged into Court
where sufficient patience and forbearance
was not shown to enable the Company to
prove the debt.

Yours faithfully
H. C. Church
Traffic Manager.

True Copies

W. H. Church
Agent and Manager.

Wm.

Madras Railway
Traffic Managers Office
Madras 15th July 1872

N^o C/437
324

To
The Agent and Manager
Madras Railway Company

Dear Sir,

Mr. Gay's defalcation
Cons. Engrs letter N^o 549 dated 12th instant

Perhaps the most simple way to explain this matter will be to forward for the Consulting Engineer's information a copy of the Coimbatore Station Accounts from the Week Ending 2nd July to Week Ending 17th December 1870, which shows Week by Week in N^o 1 column the Station Debit

- N^o 2 . . . Audit office Debit
- N^o 3 . . . Errors against or in favor of the Station Master
- N^o 4 . . . Cash remitted
- N^o 5 . . . Balance due by the Station

Subsequent to Mr. Gay's leaving the service a sum of Rs 133-6-0 was recovered from some of the Booking and Parcels Clerks which reduced Mr. Gay's liability to Rs 312-1-11

There is no reason to suppose that Mr. Gay withheld any monies, but he was responsible to the Company for the proper collection of the Company's dues at his Station, and should have been in a position, as Station Master, to say by whom the amount was to be paid.

The course demanded by the Court

P.M. 3933/72.

however relieved him entirely from going into
the Accounts.

Yours faithfully
/signed/ H. E. Church
Traffic Manager

/True Copy/
H. E. Church
Agent and Manager

P. M. 3933/72.

No. 67

MADRAS RAILWAY.

AGENT AND MANAGERS' OFFICE.

Madras, 5 August 1892.

From

Robert B. Shwin Esquire
Agent and Manager of the M. R. Co.

To

Lieut. Col. J. H. M. Shaw Stewart C.E.
Consulting Engineer for Railways.

SIR,

I have the honour to state in
reply to your letter of the 31st ultimo N^o
606 that I learn from the Chief Auditor
that Mr. Gay is employed as the Band
Sergeant of Her Majesty's 45th Regiment
2.

In furnishing you with this
information I feel bound to observe that
I do not concur in the suggestion made
by the Chief Auditor in his letter of
the 11th of July N^o 703, that "if Mr. Gay
"has found employment in the
"Government Service he might be called
"on to clear up his Accounts with the
"Railway Company"

3. The Company's claim having
been tried, and the Judge having deci-
-ded the case in Mr. Gay's favour, how-
-ever much I disagree with that decision
I

Wm.

13 12
I do not think that private means
should be adopted for obliging the
man to pay money for which he
has been declared to be not liable
in Law.

I have the honour to be,

Sir

Your most obedient servant,

Wm. H. White

Agent and Manager.

Public Works Department

N: 2039.

Proceedings of the Madras Government

Read the following

From The Consulting Engineer for Railways } H.E. N: 421 d/12th August/72

Ordered that these papers be forwarded for the information of the Government of India with reference to their observation contained in letter No 788 A.P. dated 14th June 1872.

To The Consulting Engineer for Railways. J.E. N: 421
d/12th Aug 72. To The Secretary to the Government of India.
Sir,
With reference to your

MADRAS RAILWAY.

From

The Agent and Manager.

To

The Consulting Engineer

for Railways.

Dated 5th August 1872.
Recd. 6th August 1872.

No. 531

states that the day late station master is employed as the head servant of the Chaplain's 45th Regiment.

P.O. N: 3985/72.

your letter No 788 A P
dated 14th June 1872 I
am directed to forward
for the information of
the Government of India
the accompanying Corres-
pondence and Accounts
in elucidation of the
system of audit adopted
in the Madras Railway,
more particularly in con-
nection with the irrecover-
able amount of Rs 3125.11
due by Mr. Gay, late
a Station Master at
Coimbatore.

It appears to
His Excellency in Council
that with the exception
of a more prompt adjustment
of

of Station accounts the
system of audit in
force leaves little room
for improvement, and
with the aid of the
travelling auditors re-
cently sanctioned by
the Government of
India there should be
no difficulty in exercis-
ing such a personal
check over those ac-
counts as will in
future effectually preclude
the recurrence of irregu-
larities similar to that
under notice.

Desp. 2/9/72 inta 364/72
Apr. 2039 of 1872. - a chart

CLL Ann.

C/3933

Gobt. of 1872 Madras.
PUBLIC WORKS. ✓

To The Consulting Engineer
for Railways
&
To The Secretary to the
Govt. of India

Dated

Recd.

Encl.

G. O. 27th Aug 1872. No 2039-2040

Nos. 444 - 445, 4
446

Madras Railways. Pk 21

Orders in letter from the
Supt. Railways infor-
mation respecting the
system of audit adopted in
the Madras Railway
& in connection with
the considerable amount
due by Mr. Jay, Late Station
Master at Coimbatore.

Forwarding copies.
Providence furnishing in-
formation respecting the
system of audit adopted in
the Madras Ry & in con-
nection with the irre-
coverable amount due
by Mr. Jay, Late Station
Master at Coimbatore.

of