M.R.O. 1—10,006—28-2-50.

(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. 2787-88 Press

B.P. No. Mis.

243-243-244

Dated 18. 11. 1873 195—.

Not to be folded or roughly handled

No. 242. Read the following letter from Lieutenant-Colonel J. H. M. SHAW-STEWART, R.E., Consulting Engineer for Railways, to Colonel G. W. WALKER, R.E., Secretary to Government, Public Works Department, dated Madras, 22nd October 1873, No. 561:—

WITH reference to paragraph 4 of the order of Government, No. 1,374, dated 17th May 1873, I have the honour to submit letters, Nos. 5,143 and 5,218, dated 7th August and 1st October 1873, from the Agent of the Great Southern of India Railway, the former letter being accompanied by a report from the Chief Auditor of the Company regarding the "materials missing" and "separate fund" accounts.

2. In regard to the "materials missing" account, the Chief Auditor states that, since Captain Filgate's inspection, the greater portion of the amount of Rupees 700 standing to the debit of this account has been cleared by recoveries in England. The amount unrecovered up to date is shown to be composed of short receipts on invoices, regarding which the remedy proposed by the Deputy Accountant-General, of paying a portion of the freight in India, would be of no avail. The Chief Auditor explains that a ship's liability does not extend to weight, or to contents of packages, and that freight would have to be paid on those delivered whether the contents agreed with the invoiced quantities or not.

3. I however agree with the Deputy Accountant-General that it would be well if the Directors of the Great Southern of India Railway followed the usual custom of making a portion of every freight payable in India; and the Agent has, at my request, addressed his Board upon the subject.

4. In regard to the "separate fund" account, amounting to £ 5,550-2-8 and representing the discount received on freight and insurance on account of English stores, the Chief Auditor states that, as no separate record had been kept of these stores, it would be practically impossible to re-value them distinct from stores purchased in India; and he adds, "looking to the probability of an early amalgamation of this Company with the Carnatic, and the necessity which there would then be for an entire re-valuation of stock, it seemed to me advisable to leave the disposal of this sum in abeyance until such adjustment took place, and with this intention it has not been dealt with. I think this course would be most equitable, and I would ask permission therefore to adopt it."

5. It, however, seemed to me to be desirable that the "separate fund" account should be disposed of at once in connection with the Great Southern of India Railway Company, leaving any re-valuation of the Carnatic Railway Company's stores which may be found necessary to be dealt with hereafter by itself; and, as the amount in question had been apparently obtained upon stores already consumed, I recommended that it should be credited to Capital and Revenue in proportion to the stores issued to each account. The Agent has agreed to this proposal, and reports that it is proposed by the Chief Auditor to divide the "separate fund" account between Capital and Revenue in the following proportions:—

Capital Account	Rupees	52,827 2 11
Revenue	,,	7,719 11 7

the amount to be placed to credit of Capital being about 87¼ per cent., and that to credit of Revenue about 12¾ per cent. of the whole sum which was paid into the

India Office, the value of stores issued to the two accounts up to 30th June 1873 being taken as the basis of this division.

6. I trust the Government will approve of the above arrangement, which, under the circumstances of the case, seems the fairest way of disposing of a long standing account.

From W. S. BETTS, Esq , Agent of the Great Southern of India Railway, to Lieutenant-Colonel J. H. M. SHAW-STEWART, R.E., Consulting Engineer for Railways, dated Negapatam, 7th August 1873, No. 5,143.

YOUR letter, No. 229, of the 30th May last. I beg to attach copy of the Chief Auditor's report upon the "materials missing" and "separate fund" accounts, and shall feel obliged by your informing me if the course proposed by Mr. Smith meets with the approval of Government.

From the Chief Auditor, to the Agent of the Great Southern of India Railway, dated Negapatam, 24th July 1873, No. 414.

I HAVE the pleasure to acknowledge receipt of G. O., No. 1,371, of the 17th May, forwarded with your No. 2,053 of the 24th ultimo, and, in reply to the queries contained in the latter, beg to make the following remarks :—

2. Materials missing account (paragraph 8) of the Deputy Accountant-General's (Public Works Department) reports.

3. Since the date of Captain Filgate's inspection, the great portion of the amount referred to by him as standing to the debit of this account has been cleared by recoveries made in England. Below I append particulars of the several items passed to this head prior to December last, which have not been recovered at date of writing. You will see therefore that nearly the whole amount is composed of short receipts on invoices (items marked with an asterisk) as distinguished from short deliveries by ships, and consequently the remedy proposed by Captain Filgate would be of no avail to meet these and similar cases. Broadly stated a ship's liability does not extend to weight or contents of packages, and freight would have to be paid on those delivered whether their contents agreed with the invoiced quantities or not.

	RS.	A.	P.
2nd February 1871, tie-bars short delivered ex *Balvoran*, freight and value.	2	2	3
1st March ,, rail lost overboard ex *Mars*, do. ...	19	8	9
October 1871 * short receipts on invoices of shipment per S. S. *Scotland*, less value of excess receipts on same	80	8	0
April 1872, * short receipts on invoices of shipment per *Scindian*, less excess receipts on same	30	15	2
Separate fund (paragraph 9 of the report).			

4. As no separate record is kept of English stores, it would be practically impossible to re-value them distinct from the articles purchased in this country. I had taken out from the stores' ledgers the gross value of several articles of which large quantities have been received from England since the commencement of operations, with the view of crediting the amount under reference ratably to the same. I found however that some of the balances then standing under these heads were so small that the value of the articles would be only a nominal one were this plan followed. Looking to the probability of an early amalgamation of this Company with the Carnatic and the necessity which there would then be for an entire re-valuation of stock, it seemed to me advisable to leave the disposal of this sum in abeyance until such an adjustment took place ; and with this intention it has not been dealt with. I think this course would be the most equitable one, and I would ask permissi on therefore to adopt it.

From W. S. BETTS, Esq., Agent of the Great Southern of India Railway, to Lieutenant-Colonel J. H. M. SHAW-STEWART, R.E., Consulting Engineer for Railways, dated Negapatam, 1st October 1873, No. 5,218.

THE Chief Auditor, with reference to your letter, No. 388, of the 11th ultimo, reports to me as follows : "I beg to state that it is proposed to divide the 'separate fund' account as under—

"To credit of Capital Account ... ... Rupees 52,827 2 11
" Do. of Revenue do. ... ... ,, 7,719 11 7

or about 87¼ per cent. of the amount paid into the India Office Treasury to the first, and 12¾ per cent. to the latter-mentioned account. The value of stores issued to the two accounts to 30th June 1872 has been taken as the basis of this division. I should be glad to be informed if I am at liberty to at once deal with these figures in our books, or whether it is necessary to await further sanction from Government before disposing of the matter."

2. Will you please enable me to reply to this inquiry.

No. 243. ORDER THEREON, 18th November 1873, No. 2,787.

RAILWAY, No. 37.

IT is observed from these papers that a great portion of the sum of Rupees 700 standing to the debit of the "missing materials" account, has since been adjusted, the amount unrecovered being made up of short receipts on invoices.

2. The proposed distribution of the sum of £5,550-2-8 standing in the "separate fund" account will be referred for the consideration of the Government of India.

(Here enter No. 2,788, dated 18th November 1873.)

(True Extract.)

Colonel, R.E.,
Secretary to Government.

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

Rxd. E. C. Shunker
Spare Copies.

PUBLIC WORKS DEPARTMENT,
FORT ST. GEORGE, 18*th November* 1873.

No. 244.

No. 2,788.

FROM

COLONEL G. W. WALKER, R.E.,

Secretary to the Government of Madras,

Public Works Department,

To

THE SECRETARY TO THE GOVERNMENT OF INDIA,

Public Works Department.

RAILWAY, No. 38.

SIR,—Adverting to paragraphs 6 and 7 of the Resolution of the Government of India under date the 16th April 1873, No. 231-2 A.G.R., I am directed, by His Excellency the Governor in Council, to forward the accompanying papers on the subject of the accounts of the Great Southern of India Railway, and to refer for decision the proposal of the Agent of the Company to divide between Capital and Revenue, in proportion to the stores issued to each head, the sum of £5,550-2-8 standing in the books in the "separate fund" account. Under this arrangement Capital will be credited with 87¼ and Revenue with 12¾ per cent. of the amount.

I have the honour to be,
Sir,
Your most obedient servant,

Colonel, R.E.,
Secretary to Government.

Exd. E. C. Shunker.
Spare Copies.

Govt. of (1873) Madras.

PUBLIC WORKS.

To

THE SECRETARY TO THE GOVERNMENT

OF INDIA.

Dated November 18th.

Recd. Encl.

G. O., 19th November 1873, No. 2,738.

NOVEMBER.

No. 244

Submitting for orders correspondence on the subject of the accounts of the Great Southern of India Railway.

No. 5143 GREAT SOUTHERN OF INDIA RAILWAY.

AGENT'S OFFICE,

NEGAPATAM, 7th August 1873

From

THE AGENT,

Great Southern of India Railway,

To

The Consulting Engineer
for Railways
Madras

SIR,

Your letter No 229 of the 31st May last
I beg to attach copy of the Chief
Auditor's report upon the "Materials mixing"
and "Separate Fund" accounts, and shall feel
obliged by your informing me if the
course proposed by Mr Smith meets with
the approval of Government.

I have the honor to be
Sir
Your most obedient Servant
Williams & Co.
Agent

Great Southern of India Railway

Letter from the Chief Auditor to Agent dated
Negapatam 24th July 1873 No 414.

Have the pleasure to acknowledge receip
of G. O. No 1374 of the 14th May - forwarded with
your No 2053 of the 24 Ultimo and in reply to
the queries contained in the latter beg to make
the following remarks.

Madras Mining Agency (Para 8 of the
Deputy Accountant Generals (P. W. D.) reports.

Since the date of Captain Elgates visi=
section the great portion of the amount referred
to by him as standing to the debit of Mr Accountant
has been cleared by recoveries made in England.
Below I append particulars of the several items
passed to this head prior to December last which
have not been received at date of writing. You
will see therefore that nearly the whole amount
is composed of petty receipts on invoices (items
unverified with any evidence) as during succeeding
months deliveries by ships, and consequently
from short deliveries by ships, and consequently
the remedy proposed by Captain Elgate would be
of no avail to meet these and similar cases.
Greatly afraid a check liability does not extend

9

No 5113

From

The Agent

G. S. I. Ry.

To The Secretary to Govt

for Railways

Dated 7th
Rec'd 11. } August 1873

P. W. 5754/73.

Attaching copy of
Chief Auditors report
upon the Materials missing
and "Separate Fund"
accounts.

X G O No 2787-17 Nov/73

to weight or contents of packages and freight would have to be paid on those delivered whether their contents agreed with the invoiced quantities or not

1871.

Feby. 2. 116 bars short delivered ex "Baldoran" freight and value Rs 2.2.3

March. 1 Rail lost overboard ex "Mars" freight and values " 19-8-9

October * Short receipts on Invoices of Shipment per S.S "Scotland" less value of excess receipts on same " 80-8-0

1872 April * Short receipts on invoices of Shipment per "Leindian" less excess receipts on same " 30-15-2

Separate Fund (para 9 of the report)

As no separate record is kept of English Stores it would be practically impossible to revalue them distinct from the articles purchased in this Country. I had taken out from the Stores Ledgers the gross value of several articles of which large quantities have been received from England since the commencement of operations, with the view of crediting the Amount under reference ratiably to the same. I found however that some of the balances then standing under these heads were so small that the value of the articles would be only

only a nominal one were this plan followed - Looking to the probability of an early amalgamation of this Company with the Carnatic and the necessity which there would then be for an entire revaluation of Stock, it seemed to me advisable to leave the disposal of this sum in abeyance until such an adjustment took place. And with this intention it has not been dealt with - I think this course would be the most equitable one and I would ask permission therefore to adopt it.

(True Copy)
Wm Callaghan
Chief Clerk

Callaghan
Agent

No. 5218.

GREAT SOUTHERN OF INDIA RAILWAY.

AGENT'S OFFICE,

NEGAPATAM, 1st October 1863

From

THE AGENT,

Great Southern of India Railway,

To

The Consulting Engineer
for Railways
Madras

SIR,

The Chief Auditor, with reference to your letter No 388 of the 11 Ultimo reports to me as follows "I beg to state that it is proposed to divide the Separate "Fund Account as under

To credit of Capital Account Rs 52,827-2-11
do Revenue do — 7719-11-7

"or about 87¼ per cent of the amount paid into "the India Office Treasury to the first, and 12¾ "per cent to the latter mentioned Account. The "value of Stores issued to the two accounts to "30 June 1862 has been taken as the basis of "this division — I should be glad to be informed "if I am at liberty to at once deal with these "figures in our Books, or whether it is necessary to await further sanction from Govt "before disposing of the matter"

Will you please enable me to reply to this inquiry. I have the honor to be
Sir,
Your most obedt Servt.
William Bell
Agent

Railway Department. CONSULTING ENGINEER'S OFFICE,

No. 561.

From

LIEUT.-COLONEL J. H. M. SHAW STEWART, R.E.,

Consulting Engineer for Railways,

To

COLONEL G. W. WALKER, R.E.,

Secretary to Government,
Public Works Department,
Fort Saint George.

SIR,

With reference to paragraph 4 of the Order of Government No. 1374 dated 17th May 1873, I have the honour to submit letters Nos. 5143 and 5218 dated 7th August and 1st October 1873, from the Agent of the Great Southern of India Railway, the former letter being accompanied by a report from the Chief Auditor of the Company regarding the "materials missing" and "separate fund" accounts.

2. In regard to the "materials missing" account the Chief Auditor states that, since Captain Filgate's inspection, the

the greater portion of the amount of Rs. 700 standing to the debit of this account has been cleared by recoveries in England. The amount unrecovered up to date is shown to be composed of short receipts on invoices, regarding which the remedy proposed by the Deputy Accountant General, of paying a portion of the freight in India, would be of no avail. The Chief Auditor explains that a ship's liability does not extend to weight, or to contents of packages; and that freight would have to be paid on those delivered whether the contents agreed with the invoiced quantities or not.

3. I however agree with the Deputy Accountant General that it would be well if the Directors of the Great Southern of India Railway followed the usual custom of making a portion of every freight payable in India; and the Agent has, at my request, addressed his Board upon the subject.

4. In regard to the "separate fund" account, amounting to £ 5360. 2. 8, and representing the discount received on freight and insurance on account of English stores, the Chief Auditor states that, as no separate record had been kept of these stores, it would be practically impossible to revalue them distinct from stores purchased in India; and he added, "looking to the liability of an early amalgamation of this Company with the Carnatic, and the necessity which there would then be for an entire revaluation of stock, it seemed to me advisable to leave the disposal of this sum in abeyance until such adjustments took place, and with this intention it has not been dealt with. I think this course would be most equitable, and I would ask permission therefore to adopt it."

5. It however seemed to me to be desirable that the "separate fund" account should be disposed of at once in connection with the Great Southern of India Railway Company, leaving any revaluation of the Carnatic Railway Company's stores, which may

may be found necessary, to be dealt with hereafter by itself; and, as the amount in question had been apparently obtained upon stores already consumed, I recommended that it should be credited to Capital and Revenue in proportion to the stores issued to each account. The agent has agreed to this proposal, and reports that it is proposed by the Chief Auditor to divide the separate fund account between Capital and Revenue in the following proportions:-

Capital Account Rs. 52,829. 2. 11

Revenue " " 7,719. 11. 1

the amount to be placed to credit of Capital being about 87 ¼ per cent, and that to credit of Revenue about 12 ¾ per cent, of the whole sum which was paid into the India Office, the value of stores issued to the two accounts up to 30th June 1873 being taken as the basis of this division.

6. I trust the Government will approve of the above arrangement, which, under the circumstances of the case, seems the fairest way of disposing of a long standing account.

I have the honour to be
Sir
your most obedient servant

Madras
23rd October
1873

W. Mansfield Lt. Col. R.E.,
Cons. Engineer for Railways.

No 2787 P.W. Dept

Proceedings of the Madras Government.

Under date the October 1873

Read the following

From the Consg Engineer
for Railways.

(Here enter No 5610/22 October 1873)

It is observed from
these papers that a great
portion of the sum of
Rupees 700 standing to
the debit of the "missing
materials" Account has
since been adjusted, the
amount unrecovered
being made up of short
receipts on invoices.—
~~Nothing is said as to~~
~~what~~

P.W. 1873 Report
Dep. Fort St. Geo.

Railway Department.

1873 No. 5754

From

The Consulting Engineer
for Railways,

To

The Secretary to Government,
P. W. Department,
Fort Saint George.

Dated 22 }
Recd. 23 } October, 1873.

Encs: 3.

No. 5610.

Forwarding 2
letters from the
Agent S. S. & R. Ry
regarding the
"Materials missing"
and "Deficiencies"
Invd. accounts "
Cfs 2787-2788-18-11-73

No 2787

Rupees to Credit in P.W. 1873

~~what prospect there is of~~
~~clearing the amount still~~
~~outstanding.~~

The proposed distribution of the sum of £5,550-2-8 standing in the "Separate Fund" Account will be referred for the consideration of the Government of India.

H.E. No 45
No. 2788

To
The Secretary to the
Government of India.

Sir,

Adverting to paras 6 and 7 of the Resolution of the Government of India under date the 16th April 1873

To The Consg Engineer for Railways &
Examr Ry Accts
Dated with I.C. 25/11/73

1873, No 231-2. A.G.R., I am directed by His Excellency the Governor in Council to forward the accompanying papers on the subject of the accounts of the Great Southern of India Railway, and to refer for decision the proposal of the Agent of the Company to divide between Capital and Revenue, in proportion to the Stores issued to each head, the sum of £5,550-2-8 standing in the books in the "Separate Fund" Account. Under this arrangement Capital.

Capital will be credited with
8 7/4 and Revenue with
12 3/4 per Cent of the Amount.

Given

Dest with S.C &
Merins No 25/11/73

26

h = 262.46.

No. 5754

Govt. of {1873} Madras.

PUBLIC WORKS.

To the Committee Engs for Railways and To the Secretary to the Govt of India

Dated

Read. Encl. 3

G. O. /18 "Nov" 2787. 2788.

Nos. 242-243 & 244

G. S. of I. Railway. Posting

Orders on letter from the Govt Engr. transmitting Correspondence on the Subject of the Accounts of the G. S. of I. Ry.

Transmitting for orders Correspondence on the subject of the Accounts of the G. S. of I. Ry.