(1) பக்கங்களின் எண்ணிக்கை 26

(2) புதுக்கித் திருப்பிய நாள் 7-7-88

(3) ஆதாரங்குறிப்பவர் சுருக்கொப்பம்

தமிழ்நாடு ஆவணக் காப்பகம்.

தமிழ்நாடு அரசு

பொதுப்பணி

துறை

அரசாணை எண். 732 (டபு) அச்சகம்

மு. கோப்புத் தாள் எண். பல்வகை

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நாள் : 26-3-1988

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மடிக்கவோ கண்டபடி கையாளவோ கூடாது

ஆவண. கா-1—18,000—15-6-87.

732
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GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

Read—the following papers :—

From Colonel R. C. B. PEMBERTON, R.E., Secretary to the Government of India, Public Works Department (Account—General), to the Secretary to the Government of Madras, Public Works Department, dated Simla, 10th May 1887, No. 121 A.G.

* * * * *

5. *Paragraph* 23, *Practice of rushing expenditure in March.*—The procedure referred to by the Deputy Auditor-General is described in the accompanying extract from his report on the Rangoon Public Works Office of Account. It is left to the discretion of the Madras Government to take any action it thinks proper in this matter. The suggestion of Mr. Byrne will cause the cash book to be closed at the proper date.

* * * * *

Office note from the Examiner, Public Works Accounts, dated Madras, 17th June 1887, No. 221.

In G.O., No. 597 W., dated 8th March 1882, Government passed orders on a report from this office regarding the large number of cheques drawn at the close of the financial year 1880-81. Since then this matter has apparently received no special attention, and, as shown in the margin, the cheques drawn *in the last few days of the year*, remaining uncashed at the end of the year, have risen from 732 cheques aggregating Rs. 2,53,358 in 1880-81, to 1,428 cheques aggregating Rs. 7,05,684 in 1886-87.

Year.	Number of cheque.	Amount. Rs.
1880-81	732	2,53,358
1881-82	753	2,37,265
1882-83	1,205	5,09,003
1883-84	1,121	4,38,226
1884-85	1,115	5,13,935
1885-86	1,043	3,53,298
1886-87	1,428	7,05,684

2. When the cash balance statements for March 1887 began to arrive, it became apparent that it would be well to bring the matter again to the notice of Government, and desiring, when doing so, to be in a position to say definitely whether these transactions involved any serious irregularity, over and above the exceptional rate of expenditure at the end of the year, I requested the Executive Engineers of the divisions noted in the margin—divisions in which the balance of uncashed cheques at the end of the year was most exceptionally heavy—to state, with reference to cheques drawn on the 30th and 31st March, whether such cheques were made over to the payees on the same dates, and, if not, on what dates they were so paid over.

Kistna, Eastern.	North Arcot.
Do. Western.	Nellore.
Presidency.	Godávari, Central.
South Arcot.	Do. Eastern.
Tinnevelly.	West Coast.
Madura.	Coimbatore.
Nilgiri.	Ganjam.

3. The replies received from the marginally-noted * divisions are to the effect that the cheques in question were made over to the payees, or despatched by post to their several addresses on the dates on which they were drawn.

* Kistna, Eastern.	Godávari, Central.
Do. Western.	Do. Eastern.
South Arcot.	Ganjam.
Tinnevelly.	

4. The replies received from other divisions as noted in the margin † are not equally satisfactory. I give below, in parallel columns, either the substance of the replies, or extracts therefrom, and my comments thereon.

† Presidency.	Nellore.
Madura.	West Coast.
Nilgiri.	Coimbatore.
North Arcot.	

5. *Presidency division.*—Cheques were all made over to payees on the 2nd and 4th April—Saturday and Monday.

In the course of a separate but related correspondence, the Executive Engineer states that the cash book for March was not closed until the 13th April, owing to pressure of work, about 250 bills having been received in the forenoon of the 31st March. Cheques were being drawn until a late hour at night, all other work being set aside.

In this case it would seem that the Executive Engineer must have known that many of the cheques thus hurriedly drawn at the end of the year would not be paid away; and if the 250 bills received in the morning were all to be examined before the cheques were drawn in the evening—or late at night—I doubt whether the examination could have been quite what the code contemplates.

6. *Ramnad division.*—The Executive Engineer reports that in the Ramnad sub-division 16 (out of 26) cheques were sent for delivery *through an upper subordinate*, and that (of the 16) thirteen were delivered *somewhere between the 13th and 27th April*, whilst the remaining three apparently had not been delivered at the date of writing, *i.e.*, *13th May* 1887.

In contravention of Code Form Book, No. M. 3, Note 5.

7. *Nilgiri division.*—The Executive Engineer gives details, of which the following is a summary:—

Date of issue.	Number of cheque.	Amounts.
		Rs.
1st April	4	9,749
2nd „	1	1,000
3rd „	1	1,000
4th „	7	18,957
13th „	1	2,063
20th „	1	74
27th „	2	2,000
2nd May	2	2,000
Not paid away at date of writing, *i.e.*, 6th May ...	4	3,253

The statement that cheques were *reserved* at the request of payee seems to imply that they were drawn with the express intention of keeping them. Such a proceeding is distinctly irregular. The cheques paid away on the 2nd and 3rd April were two of the *reserved* cheques. As to the remaining cheques, it would seem probable that they were drawn either with the intention of keeping them, or without a sufficient assurance of the attendance of contractors to receive them. If arrangements were made and fell through, any entries based on the cheques should have been cancelled.

Seven cheques for Rs. 1,000 each were *reserved* at the request of the payee, Messrs. Richardson and Cruddas. Three of these had not been paid away on the 6th May.

8. *Nellore division.*—The Executive Engineer reports that the cheques were made over to contractors up to the 3rd April 1887 as the contractors presented themselves.

The irregularity in this division is comparatively trifling.

9. *West Coast division.*—Cheques were made over to payees on dates of drawing, except in case of absent contractors when cheques were sent by post:—

"The delay, however, in sending cheques by post continued up to 9th April, as there was hardly time before the close of the official year to make fair copies of bills and extracts from measurement books for the signature of the contractors."

The cheques should not have been drawn until the necessary preliminaries were completed.

10. *Coimbatore division.*—There was no irregularity in the Divisional office or in the Coimbatore sub-division. In the Erode sub-division one cheque was delivered on the 1st and one on the 6th April.

The irregularity is small.

In the Salem sub-division 18 cheques were kept in the office for periods ranging up to the 19th April.

Most of these cheques should probably not have been drawn until April.

11. *North Arcot.*—The Executive Engineer reports that cheques were being sent by post up to the 4th April.

The irregularity is small.

12. It would perhaps have been better if I had, in the first instance, put the same inquiries to all divisions; but Government will see that, judging by the divisions as to which information has been obtained, apart from the rush to spend money at the very end of the year, and the consequent hurried drawing of cheques, involving, it is to be feared, in some cases at any rate, insufficient compliance with the code rule as to preliminary formalities, there has been no very noticeable irregularity except in the Nilgiri and West Coast divisions; and in the Salem sub-division of Coimbatore and even in this division, I have no doubt that the officers concerned acted upon a *bonâ fide*, though mistaken, view of the rules.

13. In the Ramnad division the sending of cheque through an upper subordinate, who was not a sub-divisional officer, was of course an irregularity (*vide* Code paragraph 1371); but it is not an irregularity which need be specially noticed in this connection.

14. In other divisions the retention of cheques does not seem to have extended beyond a few days.

15. The code rule on the subject, as laid down in note 5 on Form No. M 3 is, in my opinion, very clear. It is that "a cheque should not be drawn until it is intended to be paid away, and no cheque should be entered in the cash book until it has actually been paid away," and if a cheque is drawn and cannot be paid away, any account entries inadvertently and irregularly made in connection with such a cheque should in strictness be cancelled at once, and should certainly be cancelled if the cheque is not paid away before the end of the month, and especially before the end of the last month of the financial year.

16. I am bound however to add that, however clear the rule may be, it does not cover the whole of the ground, and, in my opinion, it is not altogether a practicable rule. I had intended, in connection with this report, to suggest modifications which seem to me desirable; but the reference made to me under your endorsement, No. 1770 C., dated 23rd May 1887, on Government of India letter forwarding for consideration a suggestion of the Deputy Auditor-General, has independently raised the question of measures for checking the rushing of expenditure at the end of the year, and I now propose to deal with the whole question in connection with that reference. It will probably be well to defer action on this note until receipt of my reply to the above-mentioned reference.

Office note from the Examiner, Public Works Accounts, dated Madras, 2nd July 1887, No. 291.

[Your office note, No. 1770 C., dated 23rd May 1887.]

In my office note, No. 222, dated 17th June 1887, I dealt with paragraphs 4 and 6 of Government of India letter, No. 121 A.G., dated 10th May 1887, and stated that the subject of paragraph 5 would be taken up separately. I also referred to the matter in my office note, No. 221, dated 17th June 1887, calling attention to the large number and amount of cheques drawn in the last few days of the year, and to certain connected irregularities.

2. The irregularities which do or may occur in connection with the rushing of expenditure, at the end of the financial year, may be considered under three heads, viz.:—

(*a*) Ante-dated cheques, *i.e.*, cheques drawn in April, or even May or June and dated 31st March.

(*b*) Dummy cheques, *i.e.*, cheques drawn on or before 31st March but retained in the Executive Engineer's possession after that date.

(*c*) Insufficient attention to preliminary formalities, due to hurry and pressure.

3. The suggestion made in paragraph 14 of the Deputy Auditor-General's report on the office of the Examiner, Public Works Accounts, Burma,* referred to in paragraph 5 of Government of India letter above quoted, is aimed solely at the first kind of irregularity (*a*), *i.e.*, at the practice—or the supposed practice—of drawing cheques after the close of the year, and dating them as on the last day of the year, in order to evade the rule as to lapsing of grants. Government has to consider whether it is necessary to provide at all for this description of irregularity, and, if so, how to deal with it.

* "That each Executive Engineer be required to telegraph to the Examiner on the 31st March his total expenditure for that month, with the number of last cheque drawn. And when there are sub-divisions similar information should be furnished by the sub-divisional officer."

4. My first impression was, that it was not necessary to make any provision at all; and even now I do not think there is reason to suppose that the practice is adopted by any officer of the Madras Public Works Department; but information given to me confidentially by an officer of the Executive Branch has convinced me that such things have been done before, not perhaps by an officer actually employed at the time in the Public Works Department, but at any rate by one who might any day be so employed, and therefore it may be as well to guard against any repetition of the practice.

5. I do not, however, recommend the adoption of the suggestion made by the Deputy Auditor-General. It is as well to bear in mind what the transaction in question really amounts to. In plain English it is the utterance of a series of deliberate falsehoods—as to which however see also paragraph 8 below—and an officer who is prepared to do this, is not likely to be very particular as to the means of defeating any check introduced in order to prevent it. A check that is easily defeated is worse than useless.

6. The check proposed by the Deputy Auditor-General would I think be defeated by a very simple expedient. At the time when the officer is required to telegraph his total expenditure he knows, to a rupee, what he wants his expenditure to be; he also knows fairly well what payments in the aggregate he will be able to make during the month—or whatever the time may be—during which he wants to draw and ante-date cheques, even if he cannot, at the time, foresee his payments in sufficient detail to enable him to draw dummy cheques, and so avoid ante-dating. There is nothing whatever to prevent him from telegraphing any sum he chooses, and afterwards making his expenditure up to that amount by ante-dated cheques. The rules of the department require him to keep his cheque book under lock and key (Code paragraph 1612); and if he chooses to draw his cheques himself, nobody will know when he drew them. It is a question of cooking the accounts somehow; and if he is prepared to cook them at all, he will cook them in a new way when the old way is closed.

7. I think therefore that, whilst the proposed check would certainly be considered as casting an unmerited slur on ninety-nine, or more, officers of a hundred, it would be laughed at by the individuals at whom it was aimed, who indeed would probably find a new pleasure in defeating the check invented for their especial benefit.

8. In my opinion the remedy—if any is required—should be looked for in another direction. However irregular may be the practices occasionally adopted in this connection, they are not adopted with any view to personal benefit. To some slight extent the desire of obtaining credit for spending the grant may perhaps operate; but I am inclined to believe that, as a general rule, an officer who does this sort of thing does it under the mistaken notion that he is helping Government in spite of itself, that is in spite of the rules it has laid down; and that he is really doing the best for the interests committed to his charge; and I believe that a little plain speaking is all that is really necessary to prevent such practices. At present there is not a word about the matter in the code. If it is necessary to do any thing, I would introduce into the code a distinct prohibition of such practices, with a statement in plain English of what they amount to, and of the light in which they are really regarded by Government. I believe that would be quite sufficient.

9. If, however, Government thinks that some positive check is necessary, then I would suggest that every Executive Engineer and every sub-divisional officer having a drawing account, be required to post to the Examiner's address, on the 1st April in each year, under registered cover, an exact transcript of the last two pages of his cash book, the accountant or sub-divisional officer's clerk being responsible for the despatch of the transcript, if the Executive Engineer or the sub-divisional officer should be absent. I am not recommending the adoption of this check: I am only pointing out that, if some positive check is considered necessary, this, in my opinion, is the only one that would be really effectual.

10. Then as to dummy cheques, that is cheques drawn and brought to account, but not paid away. The dummy cheque may be deliberately fabricated, or it may be the result of accident. In the first case the cheque is drawn at a time when, or under circumstances in which, the officer drawing it knows that he would not be justified in paying it away; and he has no intention of paying it away: he only wants to bring the charge to account. This is distinctly prohibited in Code paragraph 1627. In the second case the cheque is drawn with every intention of paying it away, and in circumstances which would fully justify such payment; but some accident prevents it being issued, and it remains in the officer's cash chest. The code is silent as to what should be done in such cases; but in note 5 on Form M-3 the officers of the department are instructed that "a cheque should not be drawn until it is intended to be paid away, and no cheque should be entered in the cash book until it has actually been paid away."

11. Judging from the facts reported in my office note, No. 221, dated 17th June 1887, I see no reason to suppose that in Madras dummy cheques are deliberately fabricated in contravention of Code paragraph 1627. The only case which suggests any thing of this sort is that of certain cheques drawn by the Executive Engineer, Nilgiri division, and "reserved" by him; but from the Executive Engineer's explanation I am satisfied that the cheques were properly drawn and might have been paid away to the contractor as soon as drawn, but that they were held by the Executive Engineer as the agent of the contractor at the request of the latter. I think the proceeding was irregular and objectionable, but there was no contravention of Code paragraph 1627. But though there may be no disregard of Code paragraph 1627, it appears that the latter part of the rule quoted at the end of paragraph 10 is habitually disregarded, and that many cheques are drawn, and improperly brought to account, although actually remaining for days and weeks in the possession of the Executive Engineer, with the result of falsifying the accounts and unduly swelling the expenditure against grants; and it seems not improbable that a considerable number of these

cheques are drawn without any reasonable assurance that there will be an early opportunity of paying them away; and in order to prevent this, the rules on the subject should, I think, be revised and amplified, and should, above all, be introduced into the body of the code, instead of being relegated to the notes on the back of some form.

12. The question is one that is continually arising. It was raised in connection with the inspection of the Nílgiri division last year, *vide* G.O., No. 1340 W., dated 29th May 1886, but without definite result; and again only a few months ago by the Superintending Engineer, III Circle, in his endorsement on a letter from the Executive Engineer, Cuddapah division, *vide* G.O., No. 2898 W., dated 3rd November 1886, but such result as was arrived at in the office note correspondence which ensued was probably communicated to nobody except the Executive Engineer, Cuddapah division. Apparently the view then taken was that the difficulties referred to by the Superintending Engineer were of very rare and exceptional occurrence, and that it was unnecessary to legislate for them. I think this was a mistake. Cases are, I believe, continually occurring in which cheques drawn in accordance with a *bonâ fide*, though possibly mistaken, interpretation of the code rules, do remain for a long time in the possession of the Executive Engineer or of some subordinate officer; and I think it is very desirable to have a clear understanding as to what is to be done in such cases, and I should be very glad if the matter could be settled before the approaching inspections.

13. Supposing a revision of the rules to be expedient, the first question to be settled is, when may a cheque be drawn? I entirely agree with the Superintending Engineer, III Circle, that the present rule * is impracticable if it is to be strictly interpreted. You cannot insist that an officer shall never draw a cheque until the payee is there, at his side, waiting to receive it. No doubt cheques should not be drawn unless there is a reasonable assurance that an opportunity of handing them to the payees will very shortly occur, or unless there is an intention of at once sending them by post to the address of the payees; but an absolute rule on this point is impracticable. If a contractor has arranged to be present in the afternoon, it surely cannot be considered improper to draw his cheque in the morning, if convenient to the Executive Engineer. For my own part I am not prepared to say that it would necessarily be irregular to draw it the day before, or possibly the day before that—every thing must depend upon circumstances which cannot be provided for by a hard-and-fast rule—and after all the contractor may not turn up at all. The essential thing appears to be that that no cheque shall be drawn until all prescribed preliminaries, in respect of measurements, &c., have been completed in such wise that the officer drawing the cheque is satisfied that the cheque may, with propriety, be paid away, *i.e.*, be allowed to pass out of his possession and beyond his control, as soon as he has signed it: an absolute rule on this point is quite practicable. I would therefore introduce into the code two rules, viz., (1) an absolute rule, that no cheque is to be drawn until the officer is satisfied that he *may*, with propriety, pay it away, as soon as it is drawn, and (2) a caution, that no cheque should be drawn without a reasonable assurance that it *will* be paid away very shortly.

* No cheque should be drawn until it is to be paid away.

14. The next question is: when is an entry to be made in the accounts? There are two possible courses, viz.:—

(1) To make the entry only when the cheque is actually paid away; and

(2) To make the entry when the cheque is drawn, with an understanding that the entry will be cancelled, if the cheque is not actually paid away in a certain time.

I am decidedly of opinion that the first course is the proper one: it is certainly that now prescribed by the code, if the notes on the backs of the code forms may be considered code rules; it is the only plan strictly consistent with the general rule that the public accounts are based on cash and not on liabilities; and I am not aware of any difficulty in carrying it out. Moreover, the alternative plan could not be adopted without the approval of the Government of India.

15. It will, however, be necessary to answer the question put by the Superintending Engineer, III Circle, in his letter to you, No. 1641 of 17th November 1886, viz., "in what form of memorandum or account should the transaction be recorded" during the interval between the drawing of the cheque and the paying of it away. I think this is a matter that should be provided for, and I would require a register to be kept, in each Divisional office, of all cheques drawn, but not actually paid away, and consequently not brought to account; that is to say (1) all cheques retained in the possession of the Executive Engineer and (2) all cheques sent to a sub-divisional officer and not advised by him as actually paid away. The register would be a very simple matter, the only particulars required being the book and cheque numbering, the date of drawing, whether in possession of Executive Engineer or sent to sub-divisional officer, and the amount and date of payment and entry in accounts, with a reference, in case of cheques sent to sub-divisional officer, to the letter or memorandum reporting payment and forwarding voucher. Moreover, if the rules of the code—paragraph 1371 and others—are attended to, the entries in the register should be very few, and incidentally the register would afford a ready means of ascertaining, on the occasion of inspections of Superintending Engineer, and Examiner, whether the rules are observed.

16. I have assumed that a cheque is only *paid away* when it is handed to the payee, or to his authorised agent, or sent by post directly to the address of the payee; and that it is not paid away as long as it remains in the possession, or under the control, of any officer of the department, or is in transit from one officer to another. If Government accept this interpretation, it might be introduced into the code.

17. I must however point out that this interpretation differs from that given by my predecessor in his office note to you, No. 593 of 25th November 1886. He considered that a cheque was paid away when dealt with under paragraph 1912 of the old code — note to paragraph 1371 of the present edition — meaning apparently that it was paid away as soon as despatched to the sub-divisional officer. It would be waste of time to argue as to which of these two interpretations is, in law or in logic, the more accurate; the question is which is the best with reference to the object in view, and if the object is to prevent the fabrication of dummy cheques, the only effectual plan is to refuse to consider a cheque paid away, and so to prevent its being brought to account, as long as it remains in any way under the control of the drawer.

18. If the above proposals are accepted, nothing more will be necessary, from a strictly accounts point of view; but I ought to point out the risk that is run when cheques drawn and signed are unnecessarily retained in the possession of the Executive Engineer or of a subordinate officer. The risk is the same whether the cheque is brought to account or not, and I think that, in the interests of the drawing officers themselves, it would be well to lay down some rule as to the cancelling of cheques retained for more than a certain number of days, as to which also see the above-mentioned correspondence with the Superintending Engineer, III Circle.

19. The third class of irregularity, that resulting from the hurry and pressure consequent on having to pay an abnormally large number of bills in a very short time, is one as to which I have very little to say. It is a thing that can hardly be proved, though there can be very little doubt that it must occur—occasionally at any rate. It is, for instance, almost impossible that 250 bills received in the morning can be properly examined and checked before being paid the same evening, *vide* paragraph 5 of my office note, No. 221, dated 17th June 1887. The only remedy is to distribute over a month or six weeks the work now done in a few days. It is a matter for the Executive, not for the Accounts, Branch to deal with.

Office note from the Examiner, Public Works Accounts, dated Madras, 24th February 1888, No. 1107.

I beg to invite your attention to the remarks made in my office note, No. 291, dated 2nd July 1887, on the subject of rushing expenditure at the end of the year,

and with reference thereto to suggest that, if Government wish to prevent a recurrence of the same this year, it would be well to issue orders at once calling the attention of Superintending Engineers to the necessity of seeing that payment of bills is not deferred until the very end of the year, and that no payments are recorded in the accounts which are not *bonâ fide* made and completed within the year, *i.e.*, no entries should be made in cash books except of cash paid or of cheques actually handed over to the contractors or other creditors before the close of the month of March, on account of work actually measured, and for which bills have been received, examined, and passed by the disbursing officer.

Order—dated 3rd March 1888, No. 732 W., Public Works.

The Government do not consider it necessary to issue any special orders as regards ante-dating cheques. Every officer must be well aware that under no circumstances can there be any justification for a proceeding which is tantamount to misrepresentation.

2. In the matter of cheques drawn on or before 31st March, but retained in the possession of the Executive Engineer after that date, it is desirable that there should be a definite ruling in the code as to when a cheque *may* be drawn, coupled with a caution that no cheque should be drawn unless there is a reasonable probability that the cheque *will* be paid away very shortly.

3. It should also be understood that a cheque is not to be entered in the accounts until it has actually been paid away; but as delay between drawing and paying is sometimes unavoidable, a register should be kept of all cheques drawn but not paid away and consequently not brought to account.

4. In order that the expression *paid away* may be clearly understood, its interpretation as given by the Examiner of Public Works Accounts will be entered in the code.

"A cheque is only paid away when it is handed to the payee, or to his authorised agent, or sent by post directly to the address of the payee; it is not paid away as long it remains in the possession, or under the control, of any officer of the department, or is in transit from one officer to another."

5. With regard to the general question of rushing expenditure at the end of each official year, while fully aware of the difficulties with which officers have to contend in order to avoid the lapse of grants, the Government must impress upon Superintending Engineers and all concerned, the necessity of using every effort to distribute expenditure equally throughout the working season, and they have no doubt that a great improvement in this direction can be effected.

6. The Secretary to the Code Committee will draw up the draft rules embodying the spirit of these orders, for introduction into the Public Works Code.

(True Extract.)

(Signed) H. R. MEAD, Colonel, R.E.,
Joint Secretary to Govt., P.W.D.

To Superintending Engineers.
To the Examiner, Public Works Accounts.
" Consulting Architect to Government.
" Chief Engr for Irrigation

Exd. A. Aubert.
Spare Copies

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GENERAL.
ACCOUNT.

Govt. of {1888} Madras.

PUBLIC WORKS.

Dated March, 3rd.

21.734.

Read. *Encl.*

G.O., 3rd March 1888, No. 732 W.

MARCH.

Rushing expenditure at the close of a year

Passing orders on the subject of —

732/6

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

READ—the following paper :—

Office Note from the Examiner of Public Works Accounts, dated Madras, 14th July 1888, No. 1886.

In my Office Note No. 221, dated 17th June 1887, printed with G.O. No. 732 W., dated 3rd March 1888, I called attention to the gradual increase of the practice of rushing expenditure at the end of the year, as evidenced by the number and amount of cheques uncashed at the close of the year, which had risen from 732 cheques, aggregating Rs. 2,53,358 at the end of 1880-81, to 1,428 cheques, aggregating Rs. 7,05,684 at the end of 1886-87 ; and I now submit a statement showing for each division and circle the number and amount of cheques similarly outstanding at the end of 1887-88.

2. It will be seen that the total number of cheques is 1,508, aggregating Rs. 4,68,700. The amount at any rate compares favorably with that at the end of 1886-87, and the amount would probably have been considerably less but for the closing of the treasury during the last few days of the year, owing to the Easter Holidays.

3. It has occurred to me that it might be useful to Government to be able to form some opinion of the comparative extent to which the practice of rushing expenditure obtains in different divisions, and considering that the cheques uncashed at the close of the year may be taken as fairly representing the expenditure of the last few days of the year, it appeared to me that a fair measure of the extent of the practice might be obtained by comparing the uncashed cheques with the total expenditure of the year. Accordingly in the fifth column of the accompanying statement the proportion borne by the total of the cheques of the year to the uncashed cheques at the end of the year is shown for each division and circle; the order of proportion or order of merit, if I may be allowed the expression, being shown in the next column. The circumstances of the Workshops and Stores division (Presidency and Dowlaishweram) and of the Periyár project division being peculiar, they have not been included in the comparison. Excluding these exceptional divisions, the ratio varies between about 80 to 1 and about 5 to 1.

4. It will be seen that, judging by this standard, the worst results are shown in the Godávari central and Tanjore divisions. In the former the expenditure of the last few days appears to be rather more than a fifth of the total expenditure of the year: one-fifth of the year's expenditure is crowded into the last few days of the year. In the Tanjore division the proportion is one-seventh. The average is 15·96 excluding the exceptional divisions.

5. As regards the two divisions mentioned, I submit a statement showing the monthly expenditure separately for contract works and for works carried out by departmental agency thus:

Month.	Godavari Central Division.		Tanjore Division.	
	Contract.	Departmental.	Contract.	Departmental.
	Rs.	Rs.	Rs.	Rs.
April 1887	2,341	1,580	1,527	420
May ,, ...	9,366	4,090	9,978	1,514
June ,, ...	17,922	3,671	10,732	1,433
July ,, ...	7,709	2,055	14,643	887
August ,, ...	2,302	3,189	15,168	5,124
September ,, ...	3,318	2,433	15,107	2,153
October ,, ...	2,665	1,971	6,433	2,723
November ,, ...	14,071	2,383	11,275	2,468
December ,, ...	7,112	1,640	11,024	1,596
January 1888	5,002	2,262	4,466	85
February ,, ...	3,905	2,127	15,156	2,042
March ,, ...	46,978	7,646	31,380	9,295
Total ...	1,22,691	35,347	1,55,889	29,650

It will be observed that in each division, under each head, there is a very great rush of expenditure in March, and I was, of course, prepared to find this in the case of contract works; but I was not prepared for, and find it difficult to understand, such an increase of expenditure in the last month of the year on works executed by departmental agency. Unless the increase is entirely due to rushing of payments for materials, it would seem that there must in other months be most undesirable postponements of payments for labor; it seems impossible that there can be any increase of labor employed in any way commensurate with the increased rate of expenditure.

6. Setting aside all positive objections to the rushing of expenditure at the end of the year, there can, I think, be very little doubt that if expenditure were more equally distributed, the probability of fully utilising grant would be increased.

Enclosure.

Statement showing by Circles and Divisions uncashed cheques drawn at end of year and proportion of the total expenditure of the year to the same.

Circle and division.	Uncashed Cheques at end of 1887-88.		Total amount of cheques drawn during 1887-88.	Ratio of years' expenditure to uncashed cheques at end of year.	Order of ratio.	Remarks.
	Number.	Amount.				
I Circle.		Rs.	Rs.			
Canjam	83	13,946	3,35,564	23·99	9	
Vizagapatam	12	2,026	1,48,603	73·35	3	
Godávari, Eastern	26	6,748	3,72,605	55·22	4	
Do. Central	155	40,767	1,97,686	4·85	26	
Do. Western	75	12,750	1,82,787	14·34	13	
Total, I Circle ..	351	76,236	12,37,245	16·22	..	
II Circle.						
Kistna, Eastern	84	36,972	4,70,356	12·72	19	
Do. Western	60	20,231	2,74,722	13·58	14	
Buckingham canal	19	5,162	4,66,781	78·8	1	
Nellore	95	27,315	3,05,472	13·38	17	
Total, II Circle ..	258	89,680	15,17,331	16·91	..	

Statement showing by Circles and Divisions uncashed cheques drawn at end of year, &c.—*cont.*

Circle and division.	Uncashed Cheques at end of 1887-88.		Total amount of cheques drawn during 1887-88.	Ratio of years' expenditure to uncashed cheques at end of year.	Order of ratio.	Remarks.
	Number.	Amount.				
III Circle.		Rs.	Rs.			
Bellary	53	20,123	1,94,045	9·64	24	
Kurnool	46	17,063	2,28,648	13·4	16	
Cuddapah	19	6,951	1,22,760	20·63	10	
Total, III Circle ..	117	43,137	5,45,453	12·61	..	
IV Circle.						
Nilgiri	47	24,553	3,33,235	13·57	15	
Coimbatore	12	4,178	2,91,291	69·72	3	
West Coast	28	10,662	3,55,704	33·49	6	
Total, IV Circle ..	87	39,353	9,80,230	24·9	..	
V Circle.						
North Arcot	32	17,658	2,13,274	12·08	20	
South Arcot	122	20,683	2,21,956	10·73	22	
Chingleput	43	21,340	2,81,316	13·18	18	
Presidency	40	52,836	10,29,151	19·48	11	
Total, V Circle ..	237	1,12,517	17,45,697	15·51	..	
VI Circle.						
Trichinopoly	61	17,448	1,76,639	10·12	23	
Tanjore	170	38,785	2,62,791	6·77	25	
Negapatam	58	12,146	1,46,188	12·03	21	
Madura	87	24,909	4,23,418	16·99	12	
Tinnevelly	37	5,178	2,01,799	38·97	5	
Ramnad	26	3,452	98,255	28·46	7	
Total, VI Circle ..	439	1,01,918	13,09,090	12·84	..	
Consulting Architect	13	5,256	1,39,077	26·46	8	
Total ..	1,502	4,68,097	74,74,123	15·96	..	
Public Works Workshops (Presidency and Dowlaishweram), Stores and Periyár Project Divisions ..	6	603	4,92,428	..	..	The circumstances of these divisions are altogether exceptional.
Grand Total ..	1,508	4,68,700	79,66,551	..	..	

Madras,
14th July 1888.

(Signed) C. H. P. CHRISTIE, Major, R.E.,
Examiner, Public Works Accounts.

Order—dated 26th July 1888, No. 2279 W., Public Works.

The Examiner's remarks will be communicated to Superintending Engineers; the special attention of the Superintending Engineers, I and VI Circles, being drawn to paras. 4 and 5.

2. The Government trust that the instructions given in G.O. No. 732 W., dated 3rd March 1888, will result in a great diminution in the number and value of uncashed cheques at the close of the official year 1888-89.

(True Extract.)

Captain, R.E.,
Under-Secy. to Govt., P.W.D.

To Superintending Engineers.
To the Consulting Architect to Government.
,, Examiner, Public Works Accounts.
Exd. F. R. Bantleman.
Spare Copies

GENERAL.
ACCOUNT.

Govt. of {1888} Madras.

PUBLIC WORKS.

Dated July, 26th.

Recd. *Encl.*

G.O., 26th July 1888, No. 2279 W.

JULY.

Uncashed cheques

Orders on Office Note from the Examiner of Public Works Accounts submitting a statement showing for each division and circle the number and amount of cheques similarly outstanding at the end of 1887-88.

[C. No. 8.]

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GOVT. OF MADRAS. } 1888. { P.W. DEPT.

EXAMINER, P. W. ACCOUNTS.

Madras, 14 July 1888.

OFFICE NOTE No. 1886

Enc: 1

To

V.

KEEP-WITH Genl. No.

dated 188 .

In my office note No. 221 dated 17th. June 1887, printed with G.O. No. 782 V. dated 3rd. March 1888, I called attention to the gradual increase of the practice of rushing expenditure at the end of the year, as evidenced by the number and amount of cheques uncashed at the close of the year, which had risen from 732 cheques aggregating Rs. 2,53,338 at the end of 1880-81, to 1428 cheques aggregating Rs. 7,05,684 at the end of 1886-87, and I now submit a statement showing for each division and circle the number and amount of cheques similarly outstanding at the end of 1887-88.

2. It will be seen that the total number of cheques is 1508 aggregating Rs. 4,68,700. The amount

1,000—7-2-88.

at any rate compares favourably with that at the end of 1886-87, and the amount would probably have been considerably less, but for the closing of the treasury during the last few days of the year, owing to the Easter holidays.

3. It has occurred to me that it might be useful to Government to be able to form some opinion of the comparative extent to which the practice of rushing expenditure obtains in different divisions, and considering that the cheques uncashed at the close of the year may be taken as fairly representing the expenditure of the last few days of the year, it appeared to me that a fair measure of the extent of the practice might be obtained by comparing the uncashed cheques with the total expenditure of the year. Accordingly in the fifth column of the accompanying statement the proportion borne by the total of the cheques of the year, to the uncashed cheques at the end of the year, is shown for each division and circle, the order of proportion or order of merit, if I may be allowed the expression, being shown

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in the next column. The circumstances of the Workshops and Stores Division (Presidency and Dowlaishwaram) and of the Periyar Project Division being peculiar, they have not been included in the comparison. Excluding these exceptional divisions, the ratio varies between about 80 to 1 and about 5 to 1.

4. It will be seen that, judging by this standard, the worst results are shown in the Godavari Central and Tanjore Divisions. In the former the expenditure of the last few days appears to be rather more than a fifth of the total expenditure of the year: one-fifth of the year's expenditure is crowded into the last few days of the year. In the Tanjore Division the proportion is one-seventh. The average is 15.06 excluding the exceptional divisions.

5. As regards the two divisions mentioned, I submit a statement showing the monthly expenditure, separately for contract works and for works carried out by departmental agency thus :-

Month	Godavari Central Division		Sonyore Division	
	Contract	Depart-mental	Contract	Depart-mental.
	Rs	Rs	Rs	Rs
April 1887	2,341	1,580	1,527	420
May ..	9,366	4,090	9,978	1,514
June ..	17,922	3,671	19,732	1,433
July ..	7,709	2,055	14,643	887
August ..	2,302	3,489	15,168	5,124
September ..	3,318	2,433	15,107	2,153
October ..	2,665	1,971	6,433	2,723
November ..	14,[illegible]71	2,383	11,275	2,468
December ..	7,112	1,640	11,024	1,506
January 1888	5,002	2262	4,466	85
February ..	3,905	2,127	15,156	2,042
March ..	46,978	7,646	31,380	9,295
Total	122,691	35,347	155,889	29,650

It will be observed that in each division, under each head, there is a very great rush of expenditure in March, and I was of course prepared to find this in the case of contract works ; but I was not prepared for, and find it difficult to understand, such an increase of expenditure in the last month of the year on works executed by departmental agency. Unless the increase is entirely due to rushing of payments for materials, it would seem that there must in other months be most

undesirable postponements of payments for labour; it seems impossible that there can be any increase of labour employed in any way commensurate with the increased rate of expenditure.

6. Setting aside all positive objections to the rushing of expenditure at the end of the year, there can, I think, be very little doubt that if expenditure were more equally distributed the probability of fully utilizing grants would be increased.

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G.O. 732 W. 7.3.88.

P.W.C. 200948

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Recd. 16.7.88

Statement shewing by Circles and Divisions, uncashed Cheques drawn at end of year and proportion of the total expenditure of the year to the same

Circle & Division	Uncashed Cheques at end of 1887-88 No	Amount	Total amount of Cheques drawn during 1887-88	Ratio of year's expenditure to uncashed cheques at end of year	Order of Ratio	Remarks
		Rs.	Rs.			
First Circle						732/11
Ganjam	83	13945	335564	23.99	9	
Vizagapatam	12	2026	148603	73.35	2	
Godavery Eastern	26	6748	372605	55.22	4	
Godavery Central	155	40761	197686	4.85	26	
Godavery Western	75	12750	182787	14.34	13	
Total 1st Circle	351	76236	1237245	16.22	.	
Second Circle						
Kistna Eastern	84	36972	470356	12.72	19	
Kistna Western	60	20231	274722	13.58	14	
Buckingham Canal	19	5162	406781	78.8	1	
Nellore	95	27315	365472	13.38	17	
Total 2nd Circle	258	89680	1517331	16.91	.	
Third Circle						
Bellary	53	20123	194045	9.64	24	
Kurnool	45	17063	228648	13.4	16	
Cuddapah	19	5951	122760	20.63	10	
Total 3rd Circle	117	43137	545453	12.61	.	
Fourth Circle						
Nilgiri	47	24553	333235	13.57	15	
Coimbatore	12	4178	291291	69.72	3	
West Coast	28	10662	355704	33.49	6	
Total 4th Circle	87	39353	980230	24.9	.	
Fifth Circle						
North Arcot	32	17658	213274	12.08	20	
South Arcot	122	20680	221956	10.73	22	
Chingleput	43	21340	281316	13.18	18	
Presidency	40	52836	1029151	19.48	11	
Total 5th Circle	237	112517	1745697	15.51	.	
Carried over	1050	360923	6025956	.	.	

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Circle & Division	Uncashed Cheques at end of 1887-88 No.	Amount	Total amount of Cheques drawn during 1887-88	Rate of per cent of Expenditure of uncashed cheques at end of year	Order of Rates	Remarks
Brought forward	1050	R 360923	R [illegible]625956			
Sixth Circle						
Trichinopoly	61	17448	176639	10.12	23	
Tanjore	170	38735	[illegible]62791	6.77	25	
Negapatam	58	12146	[illegible]46108	12.03	21	
Madura	87	24909	[illegible]423416	16.99	12	
Tinnevelly	37	5170	[illegible]01799	38.97	5	
Ramnad	26	3452	[illegible]08255	28.46	7	
Total sixth Circle	439	101918	[illegible]309090	12.84		
Consulting Architect	13	5256	[illegible]9077	26.46	8	
Total	1502	468097	[illegible]574123	15.96		
Public Works Workshops (Presidency & Dowlaishweram) Store and Periyar Project Divisions	6	603	[illegible]92428			The circumstances of these Divisions are altogether exceptional
Grand total	1508	468700	[illegible]766551			

Madras }
14th July 1888 }

[illegible] Major R.E.
Examiner, P.W. Accounts, Madras

Gen'l Acct

PUBLIC WORKS DEPARTMENT.

6-10

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the

READ the following

Office Note from the Exr. P.W.A. A.C. No. 1886 of 14th July 1888.

The Examiner's remarks will be communicated to Supdg. Engineers; the special attention of the Supdg. Engrs. I and VI Circles being drawn to paras 4 and 5.

2. The Govt. trust that the instructions given in G.O. No. 732 W of 3rd March 1888 will result in a great diminution in the number and value of uncashed Cheques at the close of the official year 1888-89.

732 / 12

21/7/88

To Supdg. Engrs.
C.A. to Govt.
Gr. Bd. [illegible]

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(17)

Obs 13/XII/88 Rm 23.XII.88 Rl 7.XII.88 Ml

Govt. of {1888} Madras.

PUBLIC WORKS.

Dated 27/6/88

Read. Encl.

G.O. 26th July 1888, No. 2279 W

Unclaimed cheques

Orders on office note from the Examiner P.W. accounts submitting a statement showing for each division and circle the number and amount of cheques similarly outstanding at the end of 1887-1888.

17/12