B No 11

(1) பக்கங்களின் எண்ணிக்கை 20

(2) புதுக்கித் திருப்பிய நாள் Aug 1891

(3) ஆதாரங்குறிப்பவர் சுருக்கொப்பம்

தமிழ்நாடு ஆவணக் காப்பகம்.

தமிழ்நாடு அரசு

PWD துறை

189 A

அரசாணை எண்.
மு. கோப்புத் தாள் எண். 2409

அச்சகம்
பலவகை

நாள் : 30-8-1892

மடிக்கவோ கண்டபடி கையாளவோ கூடாது

10 Sheets

ஆவண. கா-1—18,006—15-6-87.

Report of an inspection from 3d to 6th August 1892 of the accounts of the Coimbatore Division, by Mr I S Sherlock-Hubbard, Examiner, A.G. Accounts, Madras.

2409/1

---

1. Date of last inspection 16th to 19th November 1891.
2. By whom last inspected Mr M H Gaynor, Officiating Deputy Examiner, A.G. Accounts.
3. Orders of Government on last inspection G.O. No 76 Fin of 7th January 1892.
4. Divisional Officer. Mr G.C. Larminie, Executive Engineer, 1st Grade, is still in charge of the Division.
5. Divisional Accountant M A Jayaram Pillai Accountant 4th Grade, relieved Raghavendra Char Accountant 4th Grade on 16th February 1892.
6. Constitution of the Division

Sub Divisions	Officer in charge	Rank	Amount of impreat	Remarks
Erode	J. Pereira	Supervisor 2d Grade temporary		
Nilgiri	J.H. Cherry	Supervisor 1st Grade		} Have drawing Accounts
Coimbatore	Mr R Ry N. Manickavasagam	Temporary Overseer	300	
Erode	Mr R Ry Subramania Aiyar	Temporary Supervisor	25	These impreats are held under the sub-divisional Officer, Erode for petty Supervision charges.
	Mr R Ry G. Ramasawmy Aingar	do	25	
	M. R. Krishnasawmy Naidu	Water registrar	20	
	P. Kotteswara Naidu	Sub Divisional Clerk	10	This was given under G.O. No 2694 W of 14th October 1890 for advances of travelling allowance to lascars.

7. Points of importance, or general interest, have been separately submitted for the orders of Government, Vide Office Note:-

No 89 A. dated 12th August 1892, in reference to-
Work abstracts.
Materials at Site.
Liabilities on works.

Cen 8235 sent to orly on 15.8.92

No 90 A dated 12th August 1892, regarding-
Divisional and Sub Divisional Cash books.

Cen 8232 sent to orly on 15.8.92

No 93 A dated 13th August 1892, regarding-
measurements.

Cen 8276 sent to orly on 16.8.92

No 97 A. dated 15th August 1892, regarding
Registers of works

Cen 8276 sent to orly on 16.8.92

and this report is restricted to matters of apparently local defect or irregularity which were noticed in a test audit of the accounts for May 1892

8. I should however, explain that my attention has, on this occasion, been directed more to principles and procedure, than to a test of the accuracy of every calculation and posting

9. In the absence of any expression to the contrary, it will be understood that the results of the verification described in this report were satisfactory.

10. Cash book. A payment on 27th May 1892 to Mrs Henderson of Rs 1225-3-7 was made at the request of the Executive Engineer, Tanjore Division, as the travelling allowance for March and Salary for April due to the late Major Henderson R.E., but it is not known whether the requirements of Madras Code para 689 A had been complied with in the Tanjore Division.

11. There is no necessity for the Executive Engineer to write out cheques himself.

D409/2

12. Vouchers.

(i) Originals were compared with duplicates.

(ii) Outlay unvouched for to the Central Office was checked with the vouchers

(iii) and these vouchers were audited.

13. Considerable delay occurs in receiving vouchers from the Erode Sub Division, and this is a matter which ought to be remedied.

Cash abstract book

14. This should be posted daily, instead of being left until after close of the month.

Register of cheques issued

15. This book is kept in two parts, each containing as many columns - 7 in the case of Coimbatore - as Treasuries on which the Executive Engineer draws cheques for expenditure. On one side of the book is posted the amount of letter of credit on each Treasury, while on the other side, the amount of each cheque drawn by the Executive Engineer is posted in the column pertaining to the Treasury concerned. I was told by the Accountant that this register was maintained-

i chiefly to prevent overdrawals of accounts with Treasuries

ii and also to facilitate arriving at the total of cheques drawn by the Executive Engineer during a month

In reference to i, the proper and the only authorized place for the record, after drawal of each cheque, of a disbursers balance at a Treasury is the reverse of the counterfoil of each cheque and this should be worked out at the time each cheque is drawn. In reference to ii the Accountant was shown how to arrive at the required amount with a fraction of the labour now involved by the keeping of this register.

16. In addition to the above two purposes, it was found, on reference to the Executive Engineer, that he used it to verify cheques drawn by him by a comparison of their counterfoils with the entries in it, but such a verification from a compiled record is unreliable: counterfoils of cheques should be compared with original entries in the cash book.

17. The register of cheques issued takes time to post, and is moreover, an unauthorised record; it should therefore be discontinued.

Applications for letters of credit.

18. These would seem to call for more careful scrutiny.

i The balance at Treasury on 1st March 1892 amounted to Rs 11,846. From April 1892 Rs 6000 were applied for, and the unspent balance on 1st April amounted to Rs 33,250 making a total of Rs 39,250 available for expenditure in April, but against this only Rs 17,025 were expended.

ii From May 1892, Rs 18,000 were applied for, and the unspent balance on 1st May 1892 amounted to Rs 21,849, making a total of Rs 39,849 available for expenditure in May; but against this only Rs 21,727 were expended.

iii From June 1892, Rs 16,000 were applied for, and the ~~unspent~~ unspent balance on 1st June amounted to Rs 16,483 making a total of Rs 32,483 available for expenditure in June, but against this only Rs 21,976 were expended.

19. As far as I could judge from the Accountants pencil memoranda on the documents which were said to be the data on which the applications were based, it was evident that the factor of heavy balances was overlooked, while the expenditure to be ~~incurred~~ incurred was only roughly estimated.

20. This matter demands closer and more rigid scrutiny as the official year approaches its close, but it is ~~more~~ none the less imperative that forecasts of expenditure during the early months of the year should be made to approximate as

closely as possible with actual expenditure. To this end it is most desirable that the requirements at Sub-divisions, as well as at head-quarters, should be carefully scrutinised by the Executive Engineer, personally, from month to month throughout the year; and that details of the amount applied for each month should be methodically recorded in ink, on the office copy of each application to the Examiner for funds.

21. Every effort should moreover be made to regulate applications for funds, so as not to leave a larger balance at end of a month than a week's average expenditure.

22. Muster rolls do not bring out in part I the arrears due.

Contract certificates

23. The measurement sheets relating to final contract certificates were checked during this process two lump sum payments of Rs 200 and 150, against sanctions of Rs 50 each for the items of work "removing old anicut and baling water," and "forming ring bund" (final contract certificate of P Ramanjulu Naidu No 2 Arniapuram Channel), attracted notice.

24. It was found that the excess on each item had been progressive since December 1894, but no evidence of the excess over the items of estimate having been noticed is discernible on or from the vouchers. The Accountant explained that a comparison by sub-heads of certificates with sanctioned amounts or agreement bonds was not usual, but if such a check is not made when paying bills, an Executive Engineer is deprived of the means of enquiring at once into overpayments, or of taking prompt steps to get justifiable excesses over estimate regularized. The register of works, it will be borne in mind is not posted until a much later stage, and it does not contain details by sub-heads for works below Rs 5000, so that for such works the register affords no means of detecting excesses over sub heads.

2409/4

25. The office copies of final certificates are not generally on the yellow form. The object of the yellow form is to facilitate identification of a bill for final payments from bills for payments on account, and unless this distinction is preserved in office copies of bills, the check of subsequent bills cannot be as rapid as it ought to be. On the other hand payments to piece-workers were often made on the yellow form. This is incorrect, and moreover recognises the procedure of a running account for piece-workers which is contrary to rule.

Work abstracts

26 These documents that relate to the General Branch were compared with tenday reports and muster rolls (see also para 22). Total payments made" should find no place under sub-heads in part I all that is necessary is to compare the total charges of the month on the work in one line at end of part I, with the total value of work done.

27 Part IV was abolished in G.O. № 204 H.D. dated 21st January 1892 but notwithstanding this, much time is wasted in compiling it, and the manner of compiling it is faulty. The use of "separate pieces of paper which are now kept" for the record of any link between two separate documents is a grave defect in accounting. The "chain of evidence" in account-keeping should be as complete as in law.

28 In part IV of the work abstract for "constructing Government House at Ootacamund and furnishing it" certain materials were shown as still at site although they had already been charged off to a final head.

29 In this same work abstract it was found that the total cash payments for material as shown in part I did not agree with such payments as shown in part II.

Register of works

30 Registers relating to the General Branch were verified with work abstracts.

31 Advantage might well be taken of the permission granted by the Government of India to group together all sub-heads of a work costing less than Rs 500 each or works for which expenditure is accounted for under sub-heads. In this view, only 8 sub-heads are necessary for the work "Reconstructing 14th mile Ootacamund Kullur road" instead of 19. Apart from the saving of clerical labour both in compiling the work abstract, and in posting the registers of works, this would bring the whole of the expenditure on the work into one open page of the register, and thus afford the Executive Engineer a comprehensive glance of the cost of each sub-head above Rs 500.

32 Some relief in the matter of initials might, under the spirit of paras 130 and 131 of preamble to Government of India P.W.D. Circular № 4 dated 17th January 1890 be taken by the Executive Engineer, by writing his initials only on the first or the last page of each register in token of his scrutiny of its contents, from month to month instead, of initialling the expenditure on each work every month. All that is required is that the expenditure on each work is

3483 W 3.2.90.

scrutinized by him from month to month, and as long as this is done, one set of initials is as valuable as initials on every page.

33. Greater neatness in the writing of these books is very desirable.

Register of Revenue

34. This register showed the following sums as considerably overdue.

Amount	When due	Name of debtor
300 675	March 1892.	V. S. Kuppusammy Manickam.

Contractors' ledger

35. As in the case of the register of works (see office note № 97 A dated 15th August 1892) this record is not posted until after despatch of monthly accounts to the Examiner, although the "extract from" it (1) is sent with these accounts.

36. The ledger for May was unposted at the time of inspection, although "extracts" for May and June had been rendered to audit. The record is therefore worthless.

37. To be of any practical value the amount of each bill passed for payment should be posted to the Contractor's debit, and the amount of each cheque drawn carried to his debit, in the ledger, and this should be done at the time of (a) passing a bill for work done, and (b) of drawing a cheque in payment for such work.

Unless this is methodically done it is impossible to verify previous payments when passing a bill, and to admit of this verification the opening and closing balance of each account should specify each work on which a balance is due.

Accounts of Stock

2409/6

38. The monthly returns and abstracts were checked with each other and the debits to works checked with the work abstracts.

39. In the abstract of receipts a minus entry of Rs. 61-3-5 was noticed on account of a refund from the work, "repairing the three-foot bridges in the Arkenkottai Channel Estimate № 6" to "stock."

Half yearly returns of Stores.

40. The entries are comparatively few, and the return for stock is about to be opened for the current half year.

Deposits.

41. The schedule for March 1892 was checked, in regard to deposits of contractors, with the register of deposits paid into the savings bank, and with the bank pass-books.

42. The method of recording these deposits on the face of contract certificates is misleading. For instance:-

i. on central office voucher № 101 the deposit was shown to be Rs 320;

ii on central office voucher No 109 the deposit was also shown to be Rs 320,

but as a matter of fact the contractor, who did both works, made only one deposit of Rs 320, viz: on work i. No deposit was taken for work ii, on which 10 per cent deductions were made.

43. The space on the face of Contract Certificates for "amount of deposit" should never be used for anything but lump-sum deposits. And in connection with this subject it may be observed that the practice, noticed in a few cases, of both taking lump-sum deposits and of preserving any sum within 10 per cent from payments on the same work, makes it difficult to check the amounts that ought to be deducted without drawing up some thing like an account-current for each work and each contractor. This remark applies to the past, for the Executive Engineer informed me that he had made it a rule since joining the Division, to enforce lump-sum deposits in all cases. This will considerably simplify matters.

Travelling Journals of Lower Subordinates, Petty and Office Establishments.

44. The following items require notice.

i In the journal of Lingasawmy Gownden Messenger, the following columns have not been filled in:-

Column 6. Distance from Head Quarters.
" 7 Object of journey
" 8 Miles travelled by rail.
" 9 " " not by rail

ii In the journal of Shah Jehan, lascar, the following columns 7, 8 and 9 have not been filled in.

iii In the journal of Muthusawmy, lascar, columns 6 and 7 have not been filled in.

iv Columns 6, 8 and 9 have not been completed in the journals of Lingasawmy Maisti Naick and Veeriah, lascars.

v Column 6 has not been completed in the journals of:-

Gudumeah, Acting lascar
Nanjan, lascar
Nanjappen, lascar
Veerasawmy "
Muthusawmy "
Bhawani Singh, Messenger
Narayanasawmy, Acting Messenger

vi Column 7 has not been completed in the journals of Kuppan, temporary lascar, for April 1892 and Chinnasawmy, lascar

vii In the journal of Muthusawmy, lascar, against 17th May "24 miles" is entered in column 9 instead of column 8.

Service books

45. These all show re-attestation within the last five years in regard to the opening pages.

240 9/6

Stamped bonds and Service books

46. There are no outstandings on this account under miscellaneous advances.

Service labels

47. This account is kept in form No. 216 A and the head-clerk is said to check the balance daily.

Destruction of records

48. With reference to this point attention is invited to the rules in Government of India Code Volume I Chapter VI para 40. Many of the records noticed were long past any use, and if the Executive Engineer will furnish me with a complete list of account records on his racks I shall probably be able to relieve him of the majority of them.

Erasures and writing-over of figures

49. These are frequent, but they should be absolutely prohibited. The only permissible way to correct an erroneous entry is by drawing a line through it, and interpolating the ~~correct~~ correct figures, under the initials of the Executive Engineer or of the Accountant.

Initials and date

50. It is impossible to fix responsibility unless every document bears the initials of the person who dealt with it, or checked it; and it should further, be an inviolable rule that the dates should always be added to initials.

Correspondence

51. This for a small office is very heavy; and the use of a memorandum and reply form (C. No. 31) is suggested to the Executive Engineer for correspondence with Sub-Divisional Officers on routine matters. It will save keeping a copy of the communication in either office.

General remarks

52. The Accountant impresses every clerk in the office including the head-clerk and the Store-keeper into account work of one kind or another. This is a mistake. work is thus promiscuously distributed by the Accountant amongst all the clerks in the office, 6 in number, the majority of whom have no fitness for account work. And that which is every body's business is nobody's business. In my opinion the best results will not be obtained until some portion of the office is told off specifically and exclusively for account work. For the work in the Coimbatore office two account clerks, ought, except in an emergency, be sufficient; and the Accountant should exercise a thorough and rigid check over the work done by his assistants.

53. What is required is that the work of

the Accountant and of his clerks should be clearly defined; and steps will be taken to this end, in conjunction with the Executive Engineer.

54. With method and efficient supervision on the part of the Accountant, there is no reason why the accounts of the Coimbatore Division should not be rendered to the Examiner, complete in all respects, on the 20th of each month instead of the 25th as at present; and I therefore request that this may be ordered to be done.

Madras
15th August 1892

I. S. Merlock-Hubbard
Examiner, S.W. Accounts,
Madras

17/8
17/8

2469
19

No 109A- dated 18th August 1892.

Submitted to Government with the remark that paras 14, 25, 26, 27, 28, 35, 36, 37, 39, 42, 43, 49 and 50 will be taken up with the Divisional Accountant, by the Examiner.

I. S. Merlock-Hubbard
Examiner, S.W. Accounts,
Madras

18/8
18/8

E-1

P. W. CURRENT No. 8440

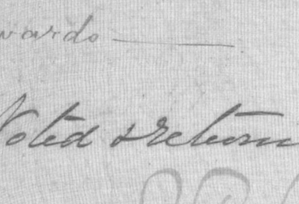
From

I. S. Sherlock - Hubbard Esq.
Examiner of W. Accounts,
Madras.



To

The Secretary to Government
P. W. Department



Rec'd 19-8-92

No. 109/A dated 17 August 1892

Fr. B No 2409 W dy 30-8-92
Fr. B No 1776 W dy 14-6-92 ✓
Mems No 2014 C dy 2-6-92 ✓
" " 2250 C dy 29-4-92 ✓
Fr. B No 854 W dy 14-3-92 ✓
Mems No 930 C dy 23-2-92 ✓
Fr. B No 76 W dy 7-1-92 ✓
" A " 633 W dy 26-2-92 ✓
" " " 204 W dy 21-1-92 ✓
" " " 343 W dy 3-2-92 ✓
" " " 2782 W dy 2-10-91 ✓
" " " 2694 W dy 14-10-90 ✓
Mems No 3621 C dy 12-8-89 ✓

No. 2409 W dy 30-8-92



Inspection Report of
Coimbatore Division ——
Forwarded ——

Noted & returned

Exe Engineer.

O/22/A

No. 2409 W dy 30 August 1892

PUBLIC WORKS DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT

2409/10

READ the following

From the Examiner P.W. Accounts (H.S.) No. 109/A dy 17 Aug. 1892

Re Examiner's report will be communicated to the Supdg: Engineer IV Circle for perusal and return.

Ltrs 25 Aug 2. Re attention of the Executive Engineer Coimbatore Division should be drawn to the matters dealt with in paras 10, 13, 15, 16, 18 to 24, 31, 32, 34, 44, 48 & 51 to 53.

3. It is observed that instructions on the remaining points requiring notice will be given to the Divisional ac-

Countants by the
Examiner.

4. With reference to para 54, the accounts of the Coimbatore Div= will be rendered to the Examiner's office on the 20th of the month follo= lowing that to which they relate.

h. 3621.c D 12-8-89
--- 343 W D 2-2-90
--- 2694.W D 14-10-90
--- 2783.W D 22-10-91
--- 71.W D 7-1-92
--- 204.W D 21-1-92
--- 930.C D 23-2-92
--- 633.W D 26-2-92
--- 884.W D 1-3-92
--- 2283.C D 29-4-92
--- 2814.C D 2-6-92
--- 1776.W D 14-6-92

No 2409 W dt 30 Augt 1892.

Copy
Ex. S. W

Recd
31/8/92

10

To
S. E. IV Circle
with report in original
D 3/4
Examiner P.W. accts.
S/19 2C-1/9

Dft 154-8
Jm 24-8
Mr 26-8

Exe Engineer.