

Public Works (189) Department.

G.O., No. 3008 W

DATED 16 Nov 1899

17/11/99

[Despatch Abstract.]

Inspection Report ^{Certain remarks and} ~~Orders~~ on the _____
of the accounts of the P.W. Stores Dⁿ, submitted
to the Secy, P.W. Dept., according

90
3
50
4

B
G. Sankar

17/11

Certain remarks and orders on the — of the accounts of the Public Works Stores division, submitted by the Examiner, Public Works Accounts, recorded.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

READ—the following paper :—

Report of an Inspection of the Accounts of the General Superintendent, Public Works Stores Division, by Mr. E. A. LEE, Examiner of Accounts, on 24th, 25th and 28th November 1898.

Mr. H. A. Moss has been in charge of the division since 13th November 1895 except for 18 days in April 1896. The following Accountants have been attached to the division since the last inspection on 16th March 1896, viz :—

Mr. Taylor ...	...	8th April 1896 to 24th April 1896.
S. Sankara Row ...	...	25th April 1896 to 7th Sept. 1896.
Mr. Wilkins ...	...	8th Sept. 1896 to date.

Orders of Government on the last inspection of this office are to be found in G.O., No. 1366 W., dated 29th April 1896.

2. Before making any detailed inspection I considered it advisable to inform myself of the exact procedure in force, as from what I could gather from previous inspection reports the method of working was almost entirely on purely local lines. Briefly, I may describe the procedure as under :—

3. *Indents*.—These come in in three forms :

- Ordinary official letter.
- Public Works Department form No. 18.
- Madras Workshop local form for supplies required in workshop.

4. On receipt of indent, no preliminary check is considered necessary in the way of seeing whether the stores are required for any sanctioned work or current repair estimate. Supply is merely the consideration. This is contrary to procedure on an open line of State Railway, and as form No. 18 has a column for the purpose I would suggest it might be made use of.

5. Indents are filed in a more or less slovenly guard book and are endorsed with date and number of despatch order. No file of uncomplished-with indents was forthcoming.

6. Stores are sent out with "despatch notes," a local form M.S. numbered, in duplicate, with no money columns. The State Railway Issue note form in triplicate D.S. 3, with money columns and press-numbered, would be more convenient, as it would allow one copy of the despatch note to be filed for reference in the office of the indenting officer.

7. Debit advices against other divisions are made out monthly from—

- Indents
- Daily report of receipts and issues.
- Despatch notes.

The daily reports of issues were said to be unreliable and have to be checked with the despatch note counterfoils, and in fact although the daily reports were introduced on the suggestion of the last inspecting officer, I cannot see they form any useful purpose, inasmuch as if the issue note (paragraph 6 above) were introduced, both the Storekeeper's and the Superintendent's ledgers might well be posted direct from the counterfoil. While introducing the issue note form, I would retain on the back the printed memorandum regarding packing, freight, etc., which is at present on the despatch note and which seems useful.

8. The time taken in the *despatch of stores* to comply with indents might possibly be improved upon. I take at hazard as an instance : Despatch note No. 339 of 3rd November 1898, covering four pieces of sheet lead $\frac{1}{8}$ " on which the indent was dated No. 5 C. of 6th September 1898 and received on 16th September 1898 ; some of the lead sheet was partly supplied from stock on 20th September 1898 and the remainder after purchase as per above despatch notes, and I am told this is only a moderate delay.

9. The debit advices are sent out promptly, usually between 1st and 4th of the following month. They are said to be returned accepted in reasonable time and the accounts are not delayed.

10. *Ledgers*.—These are of two kinds :

- Priced ledgers for Superintendent's office.
- Detail ledgers for Storekeeper's office.

The priced ledgers group articles together, but would seem to group too much. For instance, I opened a volume at a folio of which the heading was "Cast steel, flat, round or square," the rate unit was lb., and as I understand this class of steel to be mainly used for small tools, there is probably no objection to this unit, though the Director-General of Railways' classification gives cwt. The objection to the grouping up of the description and sizes is obvious, inasmuch as the issue rate for—

									As. P.
Flat and square was	..	..	..	..	..	..	..	..	3 3
Round	..	..	..	..	..	..	..	..	3 10

The balance as per ledger on date of inspection was 46,147 $\frac{1}{2}$ lb. and the book value Rs. 9,161-4-6, or As. 3-2 per lb. as an all round value. The Storekeeper's ledgers, which are in detail, gave balances as under :

									RS.
Flat	..	..	..	..	..	..	..	..	22,915
Square	..	..	..	..	..	..	..	..	2,682
Round	..	..	..	..	..	..	..	..	20,376
Total	..	..	..	..	..	..	..	..	45,973

or 175 lb. less than the priced ledgers. Whether the difference is in flat, square or round, it is impossible to say, nor is the present book rate (Rs. 22-3-7 per cwt.) susceptible of criticism as the price of cast steel varies from Rs. 11 to Rs. 45 per cwt. and the description of the steel is nowhere to be found in the ledgers in use.

11. This item was, it was stated, on the "surplus stock," but all the current transactions were "transfers to current stock" for subsequent issue to meet workshop indents. Surplus stock was said to consist of material in good condition, but considered to be in excess of normal requirements. It would appear, however, necessary if these transfers to current stock are frequent, that the present surplus list should be revised, or possibly done away with as being no longer required. Even as it is, the transfers affording credit to Provincial revenue for the difference between the current and surplus stock rates might be adjusted half-yearly instead of after each transaction.

12. The agreement between the balances of the priced and Storekeeper's ledgers is said to be now in progress, but I was unable to find any record of the total of ledger monthly balances having been agreed with the book balance of stock in hand. This should be done as soon as possible.

13. The monthly agreement between the totals of receipts and issues as per ledgers and per stock abstract book was checked and found in order, but the form in which the ledger totals were posted was a manuscript form which might be improved upon and made somewhat larger, as well as printed. It is perhaps also to be regretted that both this form and the stock abstract form are got out by the same clerk ; two clerks would form a better check on one another.

14. The book value of the balance of stores in stock at end of October 1898 was Rs. 1,89,267-10-0 or well within the reserve limit of 2 $\frac{1}{4}$ lakhs laid down in Government resolution (G.O., No. 20-3260 of 19th December 1894). The reserve limit

might, perhaps, be reduced to 2 lakhs only, as it is understood that most of the really surplus stock has by this time been got rid of. The present balances of current and surplus stock are respectively as under :—

	RS.	A.	P.
Current	1,49,069	1	4
Surplus	40,198	8	8

In the surplus the more important items are—

	RS.
Metals	17,987
Building materials	14,349

while in current stock the amounts under these same heads are—

Rs. 93,731 | Rs. 21,280

15. The issues of stores except to the workshop itself are comparatively trifling ; thus in October whereas the issues under metals amounted to Rs. 5,435, those to other divisions (including private sales) were valued at Rs. 19 only.

16. No timber is kept in stock—an arrangement which might well be followed in other places.

17. *Vendor's Bills.*—The entries in these are all checked with the receipt items on the measurement books, which seem in these stores to take the place of the "Receipt order" form in use on State railways, and is perhaps preferable as being a more handy and permanent record. The measurement books are not, however, so well posted as they might be. Thus on taking up the current bills for November and selecting a bill for "pale boiled linseed oil" purchased for stock and paid on 7th November, I found the reference on the bill was page 16 of the current measurement book. This page, however, only gave an abstract exactly agreeing with the items in the bill itself, while the actual receipts into store of the oil occurred in small quantities on different days, but had *not* been posted in the measurement book on these dates, as I traced the following entry :—

Omitted on 4th October 1898	...	...	...	10 gallons oil.
Omitted on 5th October 1898	...	...	...	15 "

The entries had, however, been duly made in the Storekeeper's ledger and should naturally have been found in the "daily report of receipts". This daily report is, however, I found, only sent in to the Superintendent's office monthly in the form of an abstract, thus preventing the receipt side of the priced ledgers from being correctly posted up to date. These daily reports should come in daily without fail, as it is from the entries in them that bills should be checked; in fact the bills should be enfaced not only with the page of the measurement book, but also with the date of receipt.

18. *Rates of purchase.*—For nearly all consumable stores of country manufacture required in any quantity during a year, tendered rates are called for in a schedule form at the commencement of each official year. The acceptance of the tenders is left entirely in the hands of the General Superintendent, and no copy of the accepted schedule are forwarded to the Examiner. He cannot, therefore, check rates in vendor's bills. It may be thought desirable that the sanction to such rates should rest with the Superintending Engineer as it does on State Railways with the Manager and a copy thereafter forwarded to the Examiner for guidance. Similarly, also when stores are required which have not been included in the schedule, the question of rate to be paid is settled by the Superintendent, and this may be allowed to stand to avoid delay; but it would be more complete if the Superintendent were to send a monthly list of the rates of all such purchases to the Superintending Engineer for final approval.

19. *Rates of issue.*—Taking, for instance, the pale linseed oil referred to in paragraph 17 above, the purchase rate of that particular supply was Rs. 2-11-2 per gallon, the current issue rate as per ledger was Rs. 1-9-6 per gallon; while the total ledger value divided by the number of gallons in hand amounts to Rs. 1-15-2, so that a revision of rate in this case is certainly necessary and a similar revision may possibly be necessary in many other items. I have suggested to the Superintendent that rates of issue should be checked with actual book rate after any large quantity of store is

brought on to the ledgers at any time; this will enable the Accountant to revise issue rates whenever necessary and prevent the occurrence of credit or debit entries in the ledgers.

20. *Powers to purchase of General Superintendent.*—So far as stores of country produce or manufacture are concerned, these seem to be unlimited up to the limit of the 2½ lakhs fixed by Government, whether the stores are merely required for stock or not: while for articles of European manufacture he is under Code rules restricted to Rs. 50 for any particular item. On State Railways the limit of purchase for stock as fixed in Government of India's circular letters, No. 190 R.S. of 29th October 1890, and No. 256 R.S., dated 6th August 1895, is Rs. 500 for each purchase for stock. This rule might be adopted in these stores also if considered advisable.

21. *Verification of stock.*—This was being done during the inspection by Mr. Hutton, Assistant Engineer. He began taking stock on 7th October and expects to finish by the end of March next. I would suggest the use of the State Railway stock verification standard form. This form clearly shows each day's work, and the number and description of the items of stock actually verified. At present the ledger balance of each article is looked up before the actual count is made and no record of the verification exists except in the ledgers themselves. The State Railway form is both simple and complete and cannot well be improved upon. Meanwhile, the book balances themselves require immediate agreement as pointed out above in paragraph 12, as otherwise the result of the verification by count cannot be finally adjusted.

22. *Inspection of books and accounts—Divisional Cash-book.*—Corrections not initialled on pages 31 (June 1897) and 43 (August 1897); on page 46 again (April 1896) the total on the receipt side was altered but not initialled, the alteration in this case having been caused by the interpolation of a recovery of income-tax from Mr. Moss, which should have been entered on the 8th, but was not noticed until the cash-book had been closed at the end of the month; the Accountant at the time was B. Raghavendra Row. In the same month also Mr. Logan, the then General Superintendent, omitted to record in the cash-book the certificate of the cash in hand having been counted.

23. *European stores* required for urgent purposes are often purchased in anticipation of sanction.

24. *Contractors' Ledger.*—None is kept up, but as there is not either any form of "purchase register" (as used for State Railway stores) maintained, perhaps it would be advisable to introduce the former.

25. *Service Books*—(a) Book of Balaguru Naidu.—Entries on opening page not dated so far as Executive Engineer's signature in column 9 is concerned.

(b) Book of Gaffur Beg, Jemadar peon.—Entries on opening page not re-attested since 5th October 1893 (subsequently re-attested on 28th November 1898).

(c) No thumb prints taken on re-attestation of service books of any subordinates. On the last point orders have not, it is said, issued from Government, but the thumb mark would certainly seem advisable in re-attestation, as much as at commencement of service.

26. *Records.*—The accounts prior to January 1891 have been destroyed. No proof of the approval of the Examiner or of the Superintending Engineer was obtainable.

27. *Test Audit.*—The accounts for the month of June 1898 were thoroughly test-audited and no special points in connection therewith require special mention in this report. Minor points have been taken up verbally with the General Superintendent.

28. *General.*—The General Superintendent considers that the office staff as at present employed is the smallest he can get through the work with with satisfaction to himself; but I cannot help thinking that, with an amalgamation of the two offices (viz., Workshops and Stores), a certain amount of clerical work might be saved, and with advantage both to the work and the General Superintendent. I would, however, suggest that the amalgamated division should still retain the services of two Accountants.

(Signed) E. A. LEE,
Examiner of Accounts.

No. 1405 A./A.

Forwarded for favour of orders of Government after obtaining such remarks and explanations as the General Superintendent, Public Works Stores, may have to offer on the several points touched on in the report.

Mr. Lee's report on the Public Works Workshops is being drawn up separately, and will follow.

7th December 1898.

(Signed) E. A. DENNYS,
Examiner, Public Works Accounts.

From H. A. MOSS, Esq., General Superintendent, Public Works Stores, Madras,
to the Superintending Engineer, V Circle, dated 14th August 1899,
No. 81-S.E.V.S.

In returning herewith, with enclosures, your endorsement No. 27 P.W.S. dated 5th February 1899, I have the honour to report as follows on the several points raised by the Examiner, Public Works Accounts, in his inspection report on this office :—

Paragraphs 1 to 3—of the report call for no remarks.

Paragraph 4.—So far as the division is concerned no object is to be gained by the noting of the name of the work on the indent. All that is required is that the head of service should be noted in order that it may be determined whether or not the articles should be charged for. It is entirely the indenting officer's concern to see that a work exists to which the cost of the articles may be charged. The provision made in Public Works Department Form No. 18 is apparently intended for use on indents on a sub-divisional store, to indicate the particular work to which the issue should be debited in the store accounts.

Paragraph 5.—Uncomplied-with indents are not filed at all, until all articles indented for have been supplied and all necessary action taken on the indents. What indents are not complied with can be seen at a glance in the indents receipt book.

Paragraph 6.—The form in use has been found convenient for many years and no complaint has been made about it. It would seem that the Examiner's proposals are unnecessary. If adopted, they would entail extra office work. Money columns are unnecessary as the cost is given in the debit advices.

Paragraph 7.—The daily report of issues has been found to be an unnecessary form. Its disuse would result in a saving of clerical labour and of stationery. A report of all receipts should, however, be sent daily by the store-keeper, from which the priced ledgers may be posted.

Paragraph 8.—There is, as a rule, little delay in the despatch of articles from the stores if they are in stock. The instance mentioned by the Examiner is an exceptional case. He would have arrived at a truer result if he had taken the average time of despatch for a number of indents instead of picking out one at random. In this particular instance it was not a fact that "some of the lead was partly despatched" on the 20th of September, but that all in stock was sent on that date. The balance could not be procured and despatched before November 3rd. The Examiner must have been misinformed if he was told that this was "only a moderate delay." It is very unusual.

Paragraph 9.—No remarks.

Paragraph 10.—The grouping of the articles was carried out in April 1892 in accordance with the orders of Government contained in G.O., No. 1224 W., dated 13th April 1892, with the object of reducing clerical labour. I am in favour, however, of keeping both sets of ledgers in detail even at the expense of some extra labour. They will then afford a better check on each other and errors in posting will be more easily located. The discrepancy noted by the Examiner must have been due to some error in posting or copying; such errors will happen occasionally, especially when transactions are numerous.

Paragraph 11.—For a long time past the surplus items have been from time to time brought back to stock when it was found that issues for departmental work were frequent, and this is still being done.

Paragraph 12.—This is being attended to.

Paragraph 13.—The manuscript book into which the ledger totals are collected and added up is not an authorised form, but used by the clerk as a check on his work in the stock abstract book. The Examiner has not stated how this form might be improved, but it would certainly be more convenient to make it larger and have it printed. It would also be an advantage to have it kept by a separate clerk were the establishment available.

Paragraph 14.—Before giving an opinion as to what should be the reserve limit for stock, I think the Examiner ought to have looked into the book balances at other times of the year. For instance, at the end of the official year the book balance, instead of being well below the reserve limit, was Rs. 81,000 above; at present it is about Rs. 40,000 above. It is falling rapidly and in a few months will again be considerably below the reserve limit. From this it will be seen that the book balance at any particular time is an insufficient basis on which to fix the reserve limit. Instead of lowering the reserve limit as proposed by Examiner, it will be necessary to increase it if issues of stores continue to increase as they are doing. The reason for the great fluctuation in the book-value of stores is that the bulk of stores from Home usually come together within a few months of the year.

Paragraph 15.—The statement in this paragraph is hardly correct and the proof given in support of it is peculiar. The total issues to workshops in October were Rs. 6,277-11-7 in value and to other divisions Rs. 1,126-1-6. But to support his statement that the issues to other divisions are trifling, the Examiner has selected from these the item "metals" and compared them. Now it happens that "metals" are very seldom issued direct to other divisions at any time. As most of them have no workshops they do not require metals except in a manufactured state. Naturally therefore they obtain them through the workshop and do not indent on the stores direct. One cannot conclude from this, however, that the issues of stores except to the workshop itself are comparatively trifling. Large quantities of paint, corrugated iron, &c., are issued direct to other divisions.

Paragraph 16.—No remarks.

Paragraph 17.—I am sorry to say there have been instances of irregular proceedings in Store's office, such as that noticed by the Examiner, though steps are taken to prevent them as far as possible. They are, I believe, due more to ignorance and want of experience on the part of the Store's establishment than to carelessness or wilful neglect. I am doubtful if there will be much improvement under the present system of recruiting the Store's establishment from the deserving old clerks of other offices who, however excellent at their own work, are absolutely ignorant of this and are usually so old that they have no time to learn it.

Paragraph 18.—I do not see the necessity for the Examiner's proposals. They would entail extra office work and nothing would be gained. The General Superintendent is best able to judge as to what should be paid for such stores. The rates of purchase are scrutinised and passed by the General Superintendent, and it would be better to see that no one is appointed as General Superintendent unless he is sufficiently honest and careful to be entrusted with making these payments on his own responsibility, rather than burden the office with further checks which would be of little practical value and probably only lead to unnecessary correspondence. The present system, too, is merely what is the practice in other divisions where the Executive Engineer fixes the rates of purchase of materials for works in hand.

Paragraph 19.—Owing to heavy work in the stores the revision of rates was not in all cases brought up to date. This matter has since been attended to.

Paragraph 20.—This statement is hardly correct. There may not be any limit of purchase fixed for country stores, but it is ridiculous to suppose that the General Superintendent could therefore purchase stores up to 2½ lakhs or anything like that amount. As a matter of fact there is practically no stock kept of country articles,

nor are these supposed to be kept, nor is it necessary to keep stock of articles that can be purchased at any time. The limit of 2½ lakhs does not therefore refer to these stores but to the stock of imported materials. The limit of purchase for European stores might perhaps be raised with advantage as proposed; but if the stores are properly managed and a sufficient quantity of various materials kept in stock, local purchase ought not to be very frequent.

Paragraph 21.—I do not think the system at present in use in checking stock would be improved on by the Examiner's proposal, and it would certainly entail extra work and not be so convenient. There may very possibly be circumstances which render the proposed form convenient in State Railways which do not exist here. By our present system of comparing the actual and ledger balances directly, mistakes are avoided and discrepancies discovered at once.

Paragraph 22.—No remarks.

Paragraph 23.—This is often necessary and unavoidable, but application for sanction is sent as soon as possible.

Paragraph 24.—I do not see the necessity for it, nor has it been pointed out.

Paragraph 25.—These matters are being attended to.

Paragraph 26.—The destruction of old records prior to 1891 was approved by Examiner in his No. 1369 C., dated 10th April 1895, and sanctioned by the Superintending Engineer in his No. 106 P.W.S., dated 25th April 1895.

Paragraph 27.—No remarks.

Paragraph 28.—I do not agree with the Examiner as to the advantage of amalgamating the offices. The matter was discussed with him personally and he was shown that there could be no saving either in establishment or labour and that having the offices separate is a convenience. But I think experience of the management of the office is necessary to understand the matter properly.

I have the honour to return herewith the Examiner's report on the Public Works Stores with my remarks.

I regret the late return of the report. It was mislaid and owing to the change of accountants at the time, the matter was overlooked. I was under the impression that it had already been despatched.

No. 481 W.

Copy submitted to the Chief Engineer, Public Works Department, with reference to his endorsement No. 664 C., dated 31st January 1899 (herewith returned), reporting on the points noticed in the inspection note of the accounts of the Public Works Stores by the Examiner of Public Works Accounts. It appears to me that a good many of the remarks of the Examiner of Accounts would have either not been made or have been considerably modified if he had discussed questions with the Superintendent at the time of examination. I ask that this may be done on a future occasion.

18th August 1899.

(Signed) A. W. SMART, Colonel, R.E.,
Supg. Engr., V Circle.

Office-note from the Examiner, Public Works Accounts, dated 25th September 1899, No. 1143 A/A.

After a close perusal of the remarks by the Inspecting Officer and a careful consideration of the replies furnished by the General Superintendent, I cannot recommend any change from the present state of things in respect of paragraphs 4, 5, 12, 15, 18, 21, 23, 24 and 28.

2. The following remarks are, however, offered in connection with items 6, 7, 10, 11, 13, 14 and 20:—

(a) *Paragraph 6 of report.*—If transfer advices are promptly sent to indenting divisions there would be no necessity for any change in the existing procedure.

(b) *Paragraph 7 of report.*—The form was proposed and specially sanctioned by Government in G.O., No. 2355 W., dated 14th August 1896, to serve as a connecting link between the original record of receipts and issues, the priced ledgers and sub-ledgers and the monthly accounts. The Inspecting Officer's proposal to do away with this form has special reference to his proposal in paragraph 6 which proposal has been shown to be unnecessary. So the retention of this form is recommended.

(c) *Paragraph 10 of report.*—Paragraphs 5 to 8 of Examiner's letter printed with G.O., No. 1224 W., dated 13th April 1892, discuss at length the principles on which the grouping of items was recommended as a means of simplifying work and saving of clerical labour. It is for Government to decide whether, after a due consideration of these principles, it is still thought necessary that the accounts should be kept in such detail.

(d) *Paragraph 11 of report.*—The question was already considered—*vide* G.O., No. 2355 W., dated 14th August 1896. If, as stated by the General Superintendent, the materials for workshop jobs are drawn from current stock at full rate, the current stock being replaced by surplus stock, nothing further seems necessary, though this procedure might delay the disposal of the current stock which is based on normal requirements.

(e) *Paragraph 13 of report.*—The General Superintendent might be asked to get the manuscript form now in use, printed on a large scale. The question of improving it will be taken up at the next inspection.

(f) *Paragraph 14 of report.*—The matter is already before Government—*vide* provincial objectionable items statement for May 1899. I would also invite perusal of paragraphs 2 and 3 of Accountant-General's letter No. 602 G., dated 5th September 1899, extract herewith.

(g) *Paragraph 20 of report.*—This is a matter purely administrative and upon which the Superintending Engineer will no doubt advise Government.

3. Paragraphs 8—16, 17, 19, 22, 25 and 26 call for no special remarks.

ENCLOSURE.

EXTRACT paragraphs 2 and 3 from Accountant-General's (Public Works Department) letter to the Examiner, Public Works Accounts, Madras and Coorg, No. 602 G., dated 5th September 1899.

2. It has recently come to my notice that in some provinces, it has been found practicable to do away with the account "Stock" to a very large extent and now that, access to the principal markets is so much more readily obtained than was formerly the case, there seems very little object in maintaining in divisions a stock of materials most of which can be procured at a short notice as requirements arise.

3. It has often been the case that the present system has given rise to the accumulation of a number of articles the transactions in which are few and far between and the result has been that surplus stores have been left on hand, sometimes for years at a time, and have eventually had to be disposed of at a loss to Government.

ORDER—No. 3008 W., dated 16th November 1899.

The correspondence recorded above relate to the Examiner's report of inspection of the accounts of the Public Works Stores division. The following remarks and orders are recorded in connection therewith:—

Inspection report, paragraphs 4 and 5.—No change need be made in the present procedure.

Paragraph 6.—On the understanding that transfer advices are promptly* sent to the indenting divisions, no change will be made in the existing procedure.

* *Vide* paragraph 171, chapter II, volume II, Public Works Code.

Paragraph 7.—The form of daily record of receipts and issues was introduced * on the recommendation of the officer who last inspected the accounts of the division and with the concurrence of Mr. Moss, the General Superintendent. No adequate reason for its discontinuance has been adduced; it will accordingly be retained, its purpose being carefully kept in view.

Paragraph 10.—The objection urged to the grouping of the articles ordered in G.O., No. 1224 W., dated 13th April 1892, does not seem to affect the principle of the arrangement. From paragraphs 5 to 8 of the Examiner's letter printed with the above Government order, it will be seen that a discretion in the matter of grouping is allowed. The aim should be to make a right use of that discretion. The adoption of the four ledger heads under *iron*, suggested in paragraph 6 of the Examiner's letter, is not obligatory, and the articles may be grouped in any convenient manner, provided the principle enunciated in paragraph 5 is carefully observed.

Paragraph 11.—It would appear from this paragraph of the Inspecting Officer's remarks that transfers from the surplus to the current stock for subsequent issue to meet workshop indents are *not* charged full rates, as ordered in G.O., No. 2355 W., dated 14th August 1896. The Government order should be strictly observed.

Paragraph 13.—The Examiner's instructions should be followed.

Paragraph 14.—Separate orders will issue as regards the reserve limit of stock for the Public Works Stores.

Paragraph 17.—The Superintending Engineer should see that the proper establishment is posted to the stores. Immediate steps should be taken to set right the irregularities noticed.

Paragraph 18.—The Superintending Engineer should have reported whether, from an administrative point of view, the Inspecting Officer's suggestions are such as can be given effect to. He will now report on the matter.

Paragraph 19.—The Government notes that the Superintendent has since attended to the revision of the rates of issue.

Paragraph 20.—The Superintending Engineer will report on the matter.

Paragraph 28.—The grounds adduced do not warrant the proposed amalgamation. The Examiner's attention will be invited to the concluding remarks of the Superintending Engineer's endorsement, No. 481 W., dated 18th August 1899.

(True Extract.)

Under Secretary to Government.

To the Superintending Engineer, V Circle.
" Examiner, Public Works Accounts.

Exd. Shaik Karim.

Read the following:—

Sendt from the P.W. Accounts N-1405/A 277-
Suptg. Engineer's Order N-481 25.8.99.
Office Note from the P.W. Accounts N-1431/A 25.8.99.

Circulated to

H.E. The Engineer.

ORDER.

No. 3008 W 16.11.99

The Correspondence re-
cord above relate to
the Examiner's report of
inspection of the accounts
of the P.W. Stores division.
The following remarks
and orders are recorded
in connection therewith:—
Inspection Report para 4.

No change need be made
in the present procedure
Para 6. On the understanding
that transfer advices are
promptly sent to the inden-
ing divisions, no change
will be made in the existing
procedure.

Para 7. The form of daily
Receipts &
report of issues was in-
troduced in 1892.
as taken to set right

ed on the recommendation
of the Officer who last inspected
the Accounts of the division
and with the concurrence
of Mr. Moss the General
Superintendent. No adequate
reason for its discontinuance
has been adduced; it will
accordingly be retained,
its purpose being carefully
kept in view.

Para 10. The objection
urged to the grouping of the
articles ordered in E.O. 1224
of 13. April '92 does not
seem to affect the principle
of the arrangement. From
paras 5 to 8 of the Examiner's
letter printed with the above
Form order, it will be seen
that a discretion in the matter
of grouping is allowed. The
aim should be to make a
right use of that discretion.
The ^{adoption of the} four ledger heads under
iron suggested in para 6 of the
Examiner's letter, is not obli-
gatory, and the articles may be
grouped in any convenient

* E.O. 2355 W 3
14. Aug. 96.
2 May 9

2 May 4

2 May 4

manner, provided the
principle enunciated
in para 5 is carefully
observed.

Para 11. It would appear
from this para of the
Inspecting Officer's re-
marks that transfers
from the Surplus to the
Current stock for sub-
sequent issue to meet
workshop indents are
not charged full rates,
as ordered in E.O. 2355 W
of 14. August 1896. The
order should be strictly
observed.

Para 13 The Examiner's
instructions should be
followed.

Para 14. Separate orders
will issue as regards the
reserve limit of stock for
the P.W. Stores.

Para 17. The Suptg. Engineer
should see that the
proper establishment is
ported to the Stores.
Immediate steps should
be taken to set right

12 P

2 May 9

Vide item 7 of E.O.
2691 W 3 11. 10. 99.
2 May 9

the irregularities noticed.

Para 18. The Suptg. Engineer should have reported what from an administrative point of view, the Inspecting Officer's suggestions are such as can be given effect to. He will now report on the matter.

Para 19. The Govt notes that the Superintendent has since attended to the revision of the rates of issue.

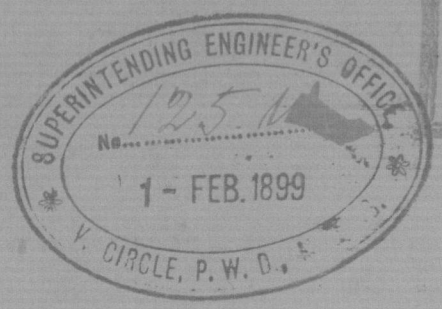
Para 20. The Suptg. Engineer will report on the matter.

Para 21. The grounds adduced do not warrant the proposed amalgamation.

The Examiner's attention will be invited to the concluding remarks of the Suptg. Engineer's endorsement No. 481 W & C. Aug. 89.

24/10/99
30.10.11
A.E.H.
15.11.99

Public Works (1898) Department.



EXAMINER, P. W. ACCOUNTS
CURRENT No. 6874/33
9 SEP 1899
134

No. 664C d/31 "July 99"

From The Examiner, P. Dr. Works, Madras

Order Indt.

Referred to the Suptg. Engr. V Circle, in vi - to such remarks and explanations as the Genl. Suptt. P.W. Stores, may have to offer on the several points noticed in the report being obtained.

No. 11405 A/A
Dated 7th Dec 98
Dated 4th January 1899
Received 35-1-99
Registered
Enclosures
Spare copies

SUBJECT.

Inspection Report of Public Secretary to Govt., P.W.D. Works Stores - Frames do for orders -

1299 No. 27 P.W.
Forwarded to the General Suptt. P.W. Stores, for compliance.
Chilam
3/2/99
Suptg. Engineer, V. Circle

BACK PAPERS.

FURTHER PAPERS.

No. Date.

No.

Date.

ENDING ENGIN

No. 2/403

AUG 1899

CIRCLE, P. W. D., M.

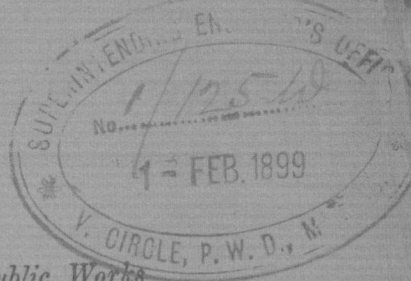
CP 134

2021
1938/99

EXAMINER

W. ACCOUNTS

9 SEP 1899



port of an Inspection of the Accounts of the General Superintendent, Public Works Stores Division, by Mr. E. A. LEE, Examiner of Accounts, on 24th, 25th and 28th November 1898.

Mr. H. A. Moss has been in charge of the division since 13th November 1895 except for 18 days in April 1896. The following Accountants have been attached to the Division since the last inspection on 16th March 1896, viz. :—

Mr. Taylor ...	...	8th April 1896 to 24th April 1896.
S. Sankara Row ...	...	25th April 1896 to 7th Sept 1896.
Mr. Wilkins ...	...	8th Sept. 1896 to date.

Orders of Government on the last inspection of this office are to be found in G.O., No. 1366 W., dated 29th April 1896.

2. Before making any detailed inspection I considered it advisable to inform myself of the exact procedure in force, as from what I could gather from previous inspection reports, the method of working was almost entirely on purely local lines. Briefly, I may describe the procedure as under :—

3. *Indents*.—These come in in three forms :

- (a) Ordinary official letter.
- (b) Public Works Department form No. 18.
- (c) Madras Workshop local form for supplies required in workshop.

4. On receipt of indent, no preliminary check is considered necessary in the way of seeing whether the stores are required for any sanctioned work or current repair estimate. Supply is merely the consideration. This is contrary to procedure on an open line of State Railway, and as form No. 18 has a column for the purpose, I would suggest it might be made use of.

5. Indents are filed in a more or less slovenly guard book, and are endorsed with date and number of despatch order. No file of uncomplished-with indents was forthcoming.

6. Stores are sent out with "despatch notes," a local form M.S. numbered, in duplicate, with no columns. The State Railway Issue note form in triplicate D.S. 3, with money columns and press-numbered, would be more convenient, as it would allow one copy of the despatch note to be filed for reference in the office of the indenting officer.

7. Debit advices against other divisions are made out monthly from—

- (a) Indents. | (b) Daily report of receipts. | (c) Despatch notes.

The daily reports of issues were said to be unreliable and have to be checked with the despatch note counterfoils, and in fact although the daily reports were introduced on the suggestion of the last inspecting officer, I cannot see they form any useful purpose, inasmuch as if the issue note (paragraph 6 above) were introduced, both the Store-keeper's and the Superintendent's ledgers might well be posted direct from the counterfoil. While introducing the issue note form, I would retain on the back the printed memorandum regarding packing, freight, &c., which is at present on the despatch note and which seems useful.

8. The time taken in the *despatch of stores* to comply with indents might possibly be improved upon. I take at hazard as an instance: Despatch note No. 339 of 3rd November 1898, covering four pieces of sheet lead, $\frac{1}{8}$ ", on which the indent was dated No. 5 C. of 6th September 1898, and received on 16th September 1898, some of the lead sheet was partly supplied from stock on 20th September 1898 and the remainder after purchase as per above despatch notes, and I am told this is only a moderate delay.

9. The debit advices are sent out promptly, usually between 1st and 4th of the following month. They are said to be returned accepted in reasonable time and the accounts are not delayed.

10. *Ledgers*.—These are of two kinds:

- (a) Priced ledgers for Superintendent's office.
- (b) Detail ledgers for Store-keeper's office.

The priced ledgers group articles together, but would seem to group too much. For instance, I opened a volume at a folio of which the heading was "Cast steel, flat, round or square" the rate unit was lb., and as I understand this class of steel to be mainly used for small tools, there is probably no objection to this unit, though the Director-General of Railways' classification gives cwt. The objection to the grouping up of the description and sizes is obvious, inasmuch as the issue rate for—

Flat and square was	...	...	...	...	...	...	...	...	A. P.
Round	...	...	...	...	...	...	...	...	3 3
	...	...	...	...	...	...	...	...	3 10

The balance as per ledger on date of inspection was 46,147 $\frac{1}{2}$ lb. and the book value Rs. 9,161-4-6, or As. 3-2 per lb. as an all round value. The Store-keeper's ledgers, which are in detail, gave balances as under:—

Flat	...	...	...	...	...	...	...	...	L.B.
Square	...	...	...	...	...	...	...	...	22,915
Round	...	...	...	...	...	...	...	...	2,682
	...	...	...	...	...	...	...	...	20,376
Total	...	...	...	...	...	...	...	...	45,973

or 175 lb. less than the priced ledgers. Whether the difference is in flat, square, or round, it is impossible to say, nor is the present book rate (Rs. 22-3-7 per cwt.) susceptible of criticism as the price of cast steel varies from Rs. 11 to Rs. 45 per cwt. and the description of the steel is nowhere to be found in the ledgers in use.

11. This item was, it was stated, on the "surplus stock," but all the current transactions were "transfers to current stock" for subsequent issue to meet workshop indents. Surplus stock was said to consist of material in good condition, but considered to be in excess of normal requirements. It would appear, however, necessary if these transfers to current stock are frequent, that the present surplus list should be revised, or possibly done away with as being no longer required. Even as it is, the transfers affording credit to Provincial revenue for the difference between the current and surplus stock rates might be adjusted half-yearly instead of after each transaction.

12. The agreement between the balances of the priced, and Store-keeper's ledgers is said to be now in progress, but I was unable to find any record of the total of ledger monthly balances having been agreed with the book balance of stock in hand. This should be done as soon as possible.

13. The monthly agreement between the totals of receipts and issues as per ledgers and per stock abstract book was checked and found in order, but the form in which the ledger totals were posted was a manuscript form which might be improved upon and made somewhat larger, as well as printed. It is perhaps also to be regretted that both this form and the stock abstract form are got out by the same clerk; two clerks would form a better check on one another.

14. The book value of the balance of stores in stock at end of October 1898 was Rs. 1,89,267-10-0 or well within the reserve limit of 2½ lakhs laid down in Government resolution (G.O., No. 20-3260 of 19th December 1894). The reserve limit might, perhaps, be reduced to 2 lakhs only, as it is understood that most of the really surplus stock has by this time been got rid of. The present balances of current and surplus stock are respectively as under:—

Current	...	...	...	...	...	...	...	...	RS.	A. P.
Surplus	...	...	...	...	...	...	...	...	1,49,069	1 4
	...	...	...	...	...	...	...	...	40,198	8 8

In the surplus the more important items are—

Metals	...	...	...	...	...	...	...	...	RS.
Building materials	...	...	...	...	...	...	...	...	17,987
	...	...	...	...	...	...	...	...	14,349

while in current stock the amounts under these same heads are—

Rs. 93,731 Rs. 21,280.

15. The issues of stores except to the workshop itself are comparatively trifling; thus in October whereas the issues under metals amounted to Rs. 5,435, those to other divisions (including private sales) were valued at Rs. 19 only.

16. No timber is kept in stock—an arrangement which might well be followed in other places.

17. *Vendor's bills*.—The entries in these are all checked with the receipt items on the measurement books, which seem in these stores to take the place of the "Receipt order" form in use of State Railways, and is perhaps preferable as being a more handy and permanent record. The measurement books are not, however, so well posted as they might be. Thus on taking up the current bills for November and selecting a bill for "pale boiled linseed oil" purchased for stock and paid on 7th November, I found the reference on the bill was page 16 of the current measurement book. This page, however, only gave an abstract exactly agreeing with the items in the bill itself, while the actual receipts into Store of the oil occurred in small quantities on different days, but had not been posted in the measurement book on these dates, as I traced the following entry:—

Omitted on 4th October 1898	...	...	...	...	10 gallons oil.
Omitted on 5th October 1898	...	...	...	...	15 "

The entries had, however, been duly made in the Store-keeper's ledger and should naturally have been found in the "daily report of receipts." This daily report is, however, I found, only sent in to the Superintendent's office monthly, in the form of an abstract, thus preventing the receipt side of the priced ledgers from being correctly posted up to date. These daily reports should come in daily without fail, as it is enforced not only with the page of the measurement book, but also with the date of receipt.

18. *Rates of purchase*.—For nearly all consumable stores of country manufacture required in any quantity during a year, tendered rates are called for in a schedule form at the commencement of each official year. The acceptance of the tenders is left entirely in the hands of the General Superintendent, and no copy of the accepted schedule are forwarded to the Examiner. He cannot, therefore, check rates in vendor's bills. It may be thought desirable that the sanction to such rates should rest with the Superintending Engineer as it does on State Railways with the Manager and a copy thereafter forwarded to the Examiner for guidance. Similarly, also, when stores are required which have not been included in the schedule, the question of rate to be paid is settled by the Superintendent, and this may be allowed to stand to avoid delay; but it would be more complete if the Superintendent were to send a monthly list of the rates of all such purchases to the Superintending Engineer for final approval.

19. *Rates of issue*.—Taking, for instance, the pale linseed oil referred to in paragraph 17 above, the purchase rate of that particular supply was Rs. 2-11-2 per gallon, the current issue rate as per ledger was Rs. 1-9-6 per gallon; while the total ledger value divided by the number of gallons in hand amounts to Rs. 1-15-2, so that a revision of rate in this case is certainly necessary, and a similar revision may possibly be necessary in many other items. I have suggested to the Superintendent that rates of issue should be checked with actual book rate after any large quantity of store is brought on to the ledgers at any time; this will enable the Accountant to revise issue rates whenever necessary and prevent the occurrence of credit or debit entries in the ledgers.

20. *Powers to purchase of General Superintendent*.—So far as stores of country produce or manufacture are concerned, these seem to be unlimited up to the limit of the prices fixed by Government, whether the stores are merely required for stock or for any particular item. On State Railways he is under Code rules restricted to a Government of India's circular letters, No. 190 R.S. of 29th October 1890, No. 256 R.S., dated 6th August 1895, is Rs. 500 for each purchase for stock. This rule might be adopted in these stores also if considered advisable.

21. *Verification of stock*.—This was being done during the inspection by Mr. Hutton, Assistant Engineer. He began taking stock on 7th October and expects to finish by

the end of March next. I would suggest the use of the State Railway stock verification standard form. This form clearly shows each day's work, and the number and description of the items of stock actually verified. At present the ledger balance of each article is looked up before the actual count is made and no record of the verification exists except in the ledgers themselves. The State Railway form is both simple and complete and cannot well be improved upon. Meanwhile, the book balances themselves require immediate agreement as pointed out above in paragraph 12, as otherwise the result of the verification by count cannot be finally adjusted.

22. *Inspection of books and accounts—Divisional Cash-book.*—Corrections not initialled on pages 31 (June 1897) and 43 (August 1897); on page 46 again (April 1896) the total on the receipt side was altered but not initialled, the alteration in this case having been caused by the interpolation of a recovery of income-tax from Mr. Moss, which should have been entered on the 8th, but was not noticed until the cash-book had been closed at the end of the month; the Accountant at the time was B. Raghavendra Row. In the same month also Mr. Logan, the then General Superintendent, omitted to record in the cash-book the certificate of the cash in hand having been counted.

23. *European stores* required for urgent purposes, are often purchased in anticipation of sanction.

24. *Contractors' Ledger.*—None is kept up, but as there is not either any form of "purchase register" (as used for State Railway stores) maintained, perhaps it would be advisable to introduce the former.

25. *Service Books.*—(a) Book of Balaguru Naidu—Entries on opening page not dated so far as Executive Engineer's signature in column 9 is concerned.

(b) Book of Gaffur Beg, Jemadar peon—Entries on opening page not re-attested since 5th October 1893 (subsequently re-attested on 28th November 1898.)

(c) No thumb prints taken on re-attestation of service books of any subordinates. On the last point orders have not, it is said, issued from Government, but the thumb mark would certainly seem advisable in re-attestation, as much as at commencement of service.

26. *Records.*—The accounts prior to January 1891 have been destroyed. No proof of the approval of the Examiner or of the Superintending Engineer was obtainable.

27. *Test Audit.*—The accounts for the month of June 1898 were thoroughly test-audited and no special points in connection therewith require special mention in this report. Minor points have been taken up verbally with the General Superintendent.

28. *General.*—The General Superintendent considers that the office staff as at present employed is the smallest he can get through the work with satisfaction to himself; but I cannot help thinking that, with an amalgamation of the two offices (viz., Workshops and Stores), a certain amount of clerical work might be saved, and with advantage both to the work and the General Superintendent. I would, however, suggest that the amalgamated division should still retain the services of two Accountants.

(Signed) E. A. LEE,
Examiner of Accounts.

No. 1405 A/A.

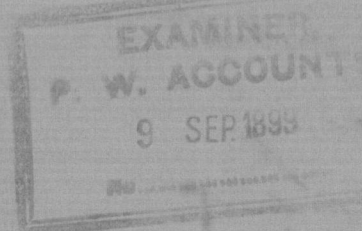
Forwarded for favour of orders of Government after obtaining such remarks and explanations as the General Superintendent, Public Works Stores, may have to offer on the several points touched on in the report.

Mr. Lee's report on the Public Works Workshops is being drawn up separately, and will follow.

7th December 1898.

E. A. DENNYS,
Examiner, Public Works Accounts.

From H. A. Moss Esquire, General Super-
P. W. Stores, Madras, to the Supy.
Requiem, v. Circle, dated 14 Aug 1899,
No. 81 S.E.F.S.:-



In returning herewith, with
enclosures, your letter No. 27 P.W.S. of 5-2-99, I
have the honour to report as follows on the
several points raised by the Examiner, P.W.,
Accounts, in his inspection report on this
office.

Paras 1 to 3. Of the report call for no remarks.

Para 4. So far as the division is concerned
in object is to be gained by the noting of
the name of the work on the indent. All
that is required is that the Head of service
should be noted in order that it may be
determined whether or not the articles
should be charged for. It is entirely
the indenting Officer's concern to see that
a work exists to which the cost of the
articles may be charged. The provision
made in P.W.D. Form No. 18 is apparently
intended for use on indents on a Sub-D^e
store, to indicate the particular work

to which the issue should be debited in the store accounts.

Para 5. Uncomplied with indentos are not filed at all, until all articles indented for have been supplied and all necessary action taken on the indentos. What indentos are not complied with can be seen at a glance in the indentos receipt book.

Para 6. The form in use has been found convenient for many years and no complaint has been made about it. It would seem that the Examiner's proposals are unnecessary. If adopted they would entail extra office work. Money columns are unnecessary as the cost is given in the debit advices.

But please see para 9 of the report.

Para 7. The daily report of issues has been found to be an unnecessary form. Its disuse would result in a saving of clerical labour and of stationery. A report of all receipts should however be sent daily by the store-keeper, from which the priced ledgers may be posted.

Para 8. There is as a rule little delay in the despatch of articles from the stores if

if they are in stock. The instance mentioned by the Examiner is an exceptional case. He would have arrived at a truer result if he had taken the average time of despatch for a number of indentos instead of picking out one at random. In this particular instance it was not a fact that "some of the lead was partly despatched" on the 20th of September, but that all in stock was sent on that date. The balance could not be procured and despatched before November 3rd. The Examiner must have been misinformed if he was told that this was "only a moderate delay". It is very unusual.

Para 9. No remarks.

Para 10. The grouping of the articles was carried out in April 1892 in accordance with the orders of Govt. contained in S.O. No. 1224 W of 13th April 1892 with the object of reducing clerical labour. I am in favour however of keeping both sets of ledgers in detail even at the expense of some extra labour. They will then afford a better check on each other and

1224 W
13-4-92

X

error in posting will be more easily located. The discrepancy noted by the Examiner must have been due to some error in posting or copying such errors will happen occasionally especially when transactions are numerous.

Para 11. For a long time past the surplus items have been from time to time brought back to stock when it was found that issues for departmental work were frequent, and this is still being done.

Para 12. This is being attended to.

Para 13. The manuscript book into which the ledger totals are collected and added up is not an authorised form, but used by the clerk as a check on his work in the stock abstract book. The Examiner has not stated how this form might be improved but it would certainly be more convenient to make it larger and have it printed. It would also be an advantage to have it kept by a separate clerk were the establishment available.

Para 14. Before giving an opinion as to

58
to what should be the reserve limit for stock, I think the Examiner ought to have looked into the book balances at other times of the year. For instance at the end of the official year the book balance, instead of being well below the reserve limit, was £81,000 above, present it is about £40,000 above. It is falling rapidly and in a few months will again be considerably below the reserve limit. From this it will be seen that the book balance at any particular time is an insufficient basis on which to fix the reserve limit. Instead of lowering the reserve limit as proposed by the Examiner it will be necessary to increase it if issues of stores continue to increase as they are doing. The reason for the great fluctuation in the book value of stores, is that the bulk of stores from Home usually come together within a few months of the year.

Para 15. The statement in this paragraph is hardly correct and the proof given in support of it is peculiar. The total issues to Workshops in October were £1277.11.

in value and to other divisions & 1126-1-6.

But to support his statement that the issues to other divisions are trifling the Examiner has selected from these the item "Metals" and compared them. Now it happens that "Metals" are very seldom issued direct to other divisions at any time. As most of them have no Workshops they do not require Metals except in a manufactured state. Naturally therefore they obtain them through the Workshop and do not incident on the Stores direct. One cannot conclude from this however that the issues of Stores except to the Workshop itself are comparatively trifling. Large quantities of paint, corrugated iron see are issued direct to other divisions.

Para 16. No remarks.

Para 17. I am sorry to say there have been instances of irregular proceedings in Store's Office such as that noticed by the Examiner though steps are taken to prevent them as far as possible. They are I believe due more to ignorance and want of experience on the part of the Store's establishment than to carelessness or wilful neglect. I am doubtful if there

there will be much improvement under the present system of recruiting the Store's from the dearning old an evil, but it would be difficult to keep a separate establishment - clerk of other Offices who however excellent at their own work are absolutely ignorant of this and are usually so old that they have no time to learn it. We want a thorough training for the Store Keeper at the head of the Para 18. I do not see the necessity for the Examiner's proposals. They would entail extra office work and nothing would be gained. The General Supt. is best able to judge as to what should be paid for such stores. The rates of purchase are scrutinised and passed by the General Supt. and it would be better to see that no one is appointed as General Supt. unless he is sufficiently honest and careful to be entrusted with making these payments on his own responsibility rather than burden the office with further checks which would be of little practical value and probably only lead to unnecessary correspondence. The present system too is merely what is the practice in other divisions where the Executive Engineer fixes the rates of purchase of materials for works in hand.

68

Para

Para 19 Owing to heavy work in the stores the revision of rates was not in all cases brought up to date. This matter has since been attended to.

Para 20. This statement is hardly correct. There may not be any limit of purchase fixed for country stores but it is ridiculous to suppose that the General Supt^y could therefore purchase stores up to 2½ lakhs or anything like that amount. As a matter of fact there is practically no stock kept of country articles nor are these supposed to be kept, nor is it necessary to keep stock of articles that can be purchased at any time. The limit of 2½ lakhs does not therefore refer to these stores but to the stock of imported materials. The limit of purchase for European stores might perhaps be raised with advantage as proposed but if the stores are properly managed and a sufficient quantity of various materials kept in stock local purchase ought not to be very frequent.

Para 21. I do not think the system at present in use in checking stock would be improved on by the Examiner's proposal and it would certainly entail extra work and

and not be so convenient. There may very possibly be circumstances which render the proposed form convenient in State Railways which do not exist here. By our present system of comparing the actual and ledger balances directly, mistakes are avoided and discrepancies discovered at once.

Para 22. No remarks.

Para 23. This is often necessary and unavoidable, but application for sanction is sent as soon as possible.

Para 24. I do not see the necessity for it, nor has it been pointed out.

Para 25. These matters are being attended to.

Para 26. The destruction of old records prior to 1891 was approved by Examiner in his No: 1369C of 10 April 1895 and sanctioned by the Supty. Engineer in his No: 106 PMS of 25-4-95.

Para 27. No remarks.

Para 28. I do not agree with the Examiner as to the advantage of amalgamating the Offices. The matter was discussed with him personally and he was shown that there could be no saving either in establishment or labour and that having

the Office separate is a convenience.
But I think experience of the manage-
ment of the Office is necessary to
understand the matter properly.

I have the honour to return here-
with the Examiner's report on the P.W.
Stores with my remarks.

I regret the late return of the
report. It was mislaid and owing
to the change of accountants at the
time the matter was overlooked. I was
under the impression that it had already
been despatched.

No. 481 W

Copy submitted to the Chief
Engineer, P.W.D., with reference to his
Encl. No. 664 C of 31-1-99 (herewith returned)
reporting on the points noticed in the
Inspection Note of the accounts of the
P.W. Stores by the Examiner of P.W.
Accounts. It appears to me that a great
many of the remarks of the Examiner of
Accounts would have either not been made
or have been considerably modified if he had discussed
questions with the then ^{Chief} Engineer
before at the Supy. Engineer's
time of examination. I am sure this was
done on a future occasion.

Encl. - 1 Encl. No. 664 C
of 31-1-99

Exhibit paras 273 from Accountant General
(P.W.D.) letter to the Examiner P.W. Accounts,
Madras Town No. 602 G. dated 5th Sept. 1899.

88

2. It has recently come to my notice that in
some Provinces, it has been found practicable to
do away with the account "Stock" to a very
large extent and now that, access to the
Principal markets is so much more readily
obtained than was formerly the case, there
seems very little object in maintaining in
the P.W. Division a stock of materials most of which can
now be procured at a short notice as requirements
may be in arise.

3. It has often been the case that the
present system has given rise to the accumula-
tion of a number of articles the transactions
in which are few and far between and the
result has been that surplus stores have been
left on hand, sometimes for years at a time
and have eventually had to be disposed of at
a loss to Government.

"True Extract"

Richard G. G. G.
Superintendent General Branch

1899

Public Works (1899) Department.

CURRENT No. 7938

From

The Examiner P.W. Accounts,
Madras Town

No. 1143 $\frac{A}{A}$

Dated 25th September 1899.

Received

Registered

Enclosures

Spare copies.

SUBJECT.

Inspection Report of the Public
Works Stores Division —
Returns with remarks

The

C. No. 7096/99 dated 10/10/99
on 10/10/99

SAW

Order

13
7
20
90
J. S. Sanyal
Per
12.10.99

FURTHER PAPERS.

CURRENT No. 6879

20 C

In favour of remarks
on the points noticed by the
General Sup^d and with
reference to the endorsement
of the S. E. Clerk.

No. 4812

Dated $\frac{18}{12}$ August 1899

Received

Registered

Enclosures

Spare copies

Cal No. 1143²/₂ dated 25th September 1899.

The

SUBJECT.

Suspension Report of
the Examiners on the ac-
counts of P. W. Stone.

>Returns the — with a
Report in reply to the
points noted thereon.

FURTHER PAPERS.

3. Paras 8 - 16 ,17,19,22,23 & 26 --

call for no special remarks.

K.R.

orig: C.

at
25-7-89

13 P