M.R.O. 14—10,000—21-4-22

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1576 — Press / ~~Mis.~~

181-182

Dated 11-9- 1869.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 11th September 1860.

No. 181. Read the following Proceedings of the Madras Government in the Judicial Department, dated 1st September 1860 No. 1,121.

Observing that the Government do not wish the system of payment for Stores on issue, to be carried out in any Civil Department except the Public Works Department. — Vide Judicial Proceeding 1st September 1860, Nos. 4—7.

No. 182. ORDER THEREON, 11th September 1860, No. 1,576.

Ordered to be recorded.

(Signed) C. G. MASTER,
Deputy Secretary to Government.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following papers:—

From Lieutenant Colonel G. Y. SIMPSON, Acting Inspector General of Ordnance and Magazines, to the Chief Secretary to Government, Fort Saint George, dated 5th July 1860, No. 63.

Indent Department.

With reference to para. 2 of the Order of Government, in the Judicial Department, No. 649, dated 25th May 1860, I have the honor to state that requisitions for Arms, Tools, and Ordnance Stores, from Civil Departments, are passed by me, under the provisions of the Orders of Government regulating such supplies; thus, Arms, Ammunition, &c., are supplied to Jails on requisitions signed by the Magistrates in charge, on payment, under the operation of the Order of Government, No. 662, dated 8th June 1857; while the requisition of the Malabar Police and Sibundy Corps are passed, "free," agreeably to the Order of Government, No. 1,441, dated 24th October 1859, in the Judicial Department, reference being made to Government only when the requisitions are of an extraordinary nature; nor does it appear necessary that reference should be made to Government except in such cases; the Heads of Departments, and the Superintendent of Police Establishments, being held personally responsible that the supplies demanded by them are only such as are actually required for the interests of the State. Issues have hitherto been made to the Mofussil Police, as to Sibundy Corps, free, and I trust Government will approve of this proceeding.

2. It however seems advisable that one uniform system should be established; and I beg to recommend that all supplies made to other than Military Departments be on payment; as by this procedure, Government will be cognizant of the cost of the supplies obtained by the Departments alluded to, and which will be exhibited in their Annual Estimates. The usual and ordinary requirements both of Civil and Police bodies should be complied with on the countersignature of the requisition by the Chief Civil or Police authority, and reference made to Government only in extraordinary cases.

From J. J. FRANKLIN, Esq., Superintendent of Marine, to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 15th May 1860, No. 2,401.

Extract Minutes of Consultation, Public Works Department, No. 772, dated 26th April 1858.

I have the honor to inform you that under certain regulations sanctioned by Government under the Orders marginally noted, the Ordnance Department requires payment for stores by transfer receipts before they are removed from its custody. In cases of articles indented for on account of outports, these receipts can be obtained by application to the Collector of the District for which they are required, and the only result is a little delay: but at Madras there are no funds or credit from which such documents can be granted. I have now before me a letter from the Principal Commissary of Ordnance to the Master Attendant representing his inability to comply with an indent for stores much required, until the transfer receipt for the value is forthcoming, and I respectfully submit the case to Government for instructions, observing that hitherto no credit has ever been opened wherefrom my Department could satisfy such a claim.

2. I would suggest as the readiest mode of meeting the requirements of the Ordnance Department, that a certain sum, say (20,000) twenty thousand Rupees, should be placed at my credit in the Accountant General's Department to be drawn upon *only* by transfer receipts.

Referred for the report of the Accountant General.

(Signed) T. PYCROFT.
Chief Secretary.

FORT SAINT GEORGE,
16th May 1860.

From F. LUSHINGTON, Esq., Acting Accountant General, to the Chief Secretary to Government, Marine Department, Fort Saint George, dated 16th July 1860, No. 116.

General Department.

I have the honor to acknowledge receipt of your endorsement dated 16th May last, referring to me for report a letter from the Superintendent of Marine No. 2,401 dated 15th idem, wherein that Officer requests to be allowed a credit with me for Rupees 20,000 to be drawn upon *only* by Transfer Receipts, in order to conform to a requisition from the Ordnance Department to furnish Transfer Receipts for such Stores as he may require to be supplied with from the Stores in the custody of that Department.

2. I have communicated with the Superintendent of Marine and the Inspector General of Ordnance and Magazines, and think it is very doubtful whether the Principal Commissary of Ordnance was warranted by the Order of Government in the Marine Department, No. 405, dated 6th October 1858, in requiring a Transfer Receipt from the Master Attendant. This Order directs that the rules sanctioned in the Public Works Department, No. 772, dated 26th April 1858, regarding the issue and delivery of Public Works Stores should, "*so far as applicable*," be also observed in the Marine Department.

3. In the Order of Government of the 26th April 1858, the necessity for Transfer Receipts for the Public Works Department, is clearly explained. The cost of the Stores of the Public Works Department is intended to be met out of the annual grants sanctioned for repairs and construction; and hence the value of the Stores required for the construction or repair of any special public work, must be covered by the estimated amount sanctioned for that particular work. As District Engineers are allowed an annual credit with Collectors to the amount sanctioned for their Districts, it is necessary in order that this Office should be able to exercise a check over the drawings of the District Engineers, that recourse should be had to the expedient of Transfer Receipts. The amount of the Transfer Receipts granted by a Collector to a District Engineer is entered in the Collector's accounts as an advance to the Engineer under his credit, in the same way as the disbursements of cash to him is entered. By this expedient a check, analogous to the concurrent audit of the expenditure under the Appropriation Act at Home is secured, in point of fact these credits are here operated upon and watched very much as the votes are exhausted and checked in England. And notwithstanding that Store Rooms for the custody of the Stores of the Public Works Department, have been erected in the Chepauk Palace grounds, and the charge of the Stores is to be transferred from the Ordnance Department to the Chief Engineer, the use of Transfer Receipts will still be continued.

4. In the case of Stores required from the Arsenal for the Marine Department, the necessity for Transfer Receipts is not apparent, because the value of those Stores is additional to the other charges of that Department, *i. e.*, they are not provided for in the estimates under the present system. The Transfer Receipt would impose no restriction on a Master Attendant and would afford no means of check to this Office, because restriction and check are impossible, there being no credit to exhaust. The requirement of Transfer Receipts in the Marine Department seems not only unnecessary but will be found to be inconvenient and the cause of delay.

5. The Acting Inspector General of Ordnance and Magazines in his letter to me, No. 1,756, dated 3rd instant, defends the use of Transfer Receipts in the Marine Department, on the grounds set forth in the margin. It will be observed that Lieutenant Colonel Simpson advocates the employment of Transfer Receipts in the Marine Department, on altogether different grounds from those on which their intervention in the Public Works Department has been found necessary; indeed the reasons he adduces are not applicable to the Marine Department specially, but to all Departments of the State, and to the issue of every description of Store, Medical, Stationery, Commissariat and Clothing. If the reasons therefore urged by Lieutenant Colonel Simpson, should be deemed to be of sufficient weight to require the adoption of the course he recommends, it will be inconsistent to confine the use of Transfer Receipts only to the issue to Master Attendants of Stores of the Marine Department in the custody of Ordnance Officers, Transfer Receipts will require to be used for the issue of Stores generally. The complication of the accounts, the inconvenience, the trouble and delay that would certainly follow, will in a short time demonstrate that any advantages which the system may be found to possess are insufficient to admit of its longer continuance. But a further evil would ensue, viz., that the annual account of receipts and disbursements required by the Government of India and the Home authorities for submission to Parliament, and in which transactions having a *money* origin only should appear, will be delayed beyond the date fixed for completion; in fact, necessary as the use of Transfer Receipts are in the Department of Public Works, great inconvenience and trouble are experienced incorrectly exhibiting the Public Works transactions on this account.

Paragraph 2. It appears very necessary that a distinction should be carefully maintained between the charges incurred by separate Departments of the State, and this distinction cannot be better preserved, than by giving a place to those charges in the local Treasury accounts.

3. In order to illustrate the position I wish to maintain, I beg to add that all stores obtained from England and lodged in the Arsenal (except Electric Telegraph stores) are debited by the Home Government to the Ordnance Department, and if issued to any other Department, free of payment, although the value may be adjusted in the Ordnance Books to the debit of that Department, such debit not affecting cash, does not in fact relieve the Ordnance Department of any portion of the charge previously made against it; whereas payment made by means of a Transfer Receipt will be treated in the annual Estimates as a part of the income of the Ordnance service, and as such will constitute a definite set-off against its expenditure.

6. But the reasons advanced by Lieutenant Colonel Simpson are illogical and founded on misconception. I fail to perceive the necessity or advantage of having all departmental charges recorded in the local Treasury accounts. I do not believe that the *Ordnance* Department is not to the Ordnance Department: the Home Government deals with each Presidency as a whole, and not with each separate Depart... Inspector General of Ordnance and Magazines. Even in regard to the annual estimates, by which I believe Lieutenant Colonel Simpson refers to the Budget for the Ordnance Department, it will amount to the same thing, the requirements of the Ordnance Department being so much, say 4 lacs, whether 20,000 Rupees are to be received back in cash, or are to be charged against the Mar...e Department.

7. I would in conclusion refer the Government to para. 5 of the Despatch from the Court of Directors to the Government of India in the Financial Department, No. 24, dated 21st July 1847, communicated to this Office with the Order of Government in the Financial Department, No. 666, dated 9th December 1847, in which the Court observe—"In Book-keeping it should "be held as a principle, to discourage as much as possible, all entries of a theoretical character, "which too frequently render obscure, transactions that ought to be shown in a simple and clear "form, the chief object being a faithful record, under suitable heads of account of all matters "having a money origin."

8. I therefore deprecate the use of Transfer Receipts in the Marine Department, and request the Government will be pleased to instruct the Acting Inspector General of Ordnance and Magazines to issue Stores to the Master Attendant without any Transfer Receipts.

ORDER THEREON, 1st September 1860, No. 1,121.

Judicial Department. In the Order of the 25th May last, No. 649, in sanctioning an Indent on the Commissary of Bangalore for *one* Musket, applied for through the Magistrate of Salem, the Government requested the Inspector General of Ordnance and Magazines to report on the mode in which Indents from Civil Departments for Arms, Tools, and Ordnance Stores, were at present complied with, and to suggest in what

manner the wants of these Departments might be supplied without reference to Government, except, when necessary in special cases, and through his Department.

2. The Inspector General in reply stated generally, that "requisitions from Civil Depart-"ments were passed by him under the provisions of the Orders of Government, regulating such "supplies," and he recommended that "all supplies made to other than Military Departments, should be on payment." He was of opinion that the ordinary and usual demands of the Service might be met by him without requiring the sanction of Government in each instance, the supplies in such cases being issued on the responsibility of the Officer or Department indenting on him. The sanction of Government should be applied for only when the requisition was of an extraordinary nature.

3. Ordnance supplies, it is observed, are issued *on payment* to Jails, but *free* to Sibundy Corps, and the Mofussil Police. The Jail Guards will, in the course of the changes now in progress, be furnished from the Police, and the Arms, &c. for the Guards over Jails will be provided in the same way, as for the general Police body. The arrangements, therefore, sanctioned, as regards the supply of Arms to the Jails, in Extract Minutes Consultation, 8th June 1857, No. 662, will cease to have effect on the complete introduction of the new Police.

Proceedings, 10th Jan. 1860, No. 33, Judicial, i. e. that they be issued on payment.

4. The question however raised in Colonel Simpson's letter, viz., whether Stores issued to Civil Departments, should be supplied free, or on payment, made either in cash or by means of a Transfer Receipt, is more fully mooted subsequently in the correspondence noted in the margin, and arising from an application made by the Superintendent of Marine for a credit of Rupees 20,000 to enable him to obtain Transfer Receipts, for the value of Stores to be issued to his Department from that of the Ordnance, which the Inspector General declined to supply unless on payment.

From the Superintendent of Marine, 15th May, and Accountant General, 16th July 1860.

No. 772, Public Works Department.

5. It should be noted that by the Rules sanctioned by Government on the 26th April 1858, all supplies of Stores, Tools, &c., required by the *Public Works Department*, are to be obtained by it on payment. The value of the Stores supplied is paid to the Officer in charge of the Arsenal whence they are supplied, in hard cash, or more commonly by a Transfer Receipt. This practice the Inspector General of Ordnance desires to see general and made applicable to the issue of all Civil Stores.

6. The Acting Accountant General to whom the letter of the Superintendent of Marine was referred for his opinion demurs to this course. He admits that, for reasons which he explains, it is proper to follow it in the Public Works Department, although he states that on account of its being pursued there, great trouble and inconvenience are experienced in correctly exhibiting the Public Works transactions. The same considerations do not, however, Mr. Lushington states, exist in favor of the application of the system to the Marine, or consequently to other Civil Departments, or to the issue of Civil Stores generally on payment, or on Transfer Receipt, and he deprecates it as inconvenient, unnecessary and liable to complicate and delay the preparation of the public accounts.

7. Marine Stores are at present drawn from the Grand Arsenal at Madras under an arrangement made in 1857. A separate department was then about to be formed for the reception and custody of Marine Stores, when the Inspector General of Ordnance offered to furnish accommodation in the Arsenal for the greater part of the Stores then on hand and to undertake the supply of them for the future. This with the concurrence of the Superintendent of Marine was acceded to, and the Rules of 26th April 1858, regulating the delivery and issue from the Arsenal of Stores for the Department Public Works, were ordered to be observed in the Marine Department *as far as they were applicable.*

8. The Government have carefully considered the papers referred to in the preceding paragraphs, and they are of opinion that the view taken by the Accountant General in respect to the issue of Civil Stores and the grounds which he has assigned for it are correct. They therefore resolve to forward a copy of his letter to the Inspector General of Ordnance and to inform him that they do not wish the system of payment for Stores on issue, to be carried out in any Civil Department except the Public Works Department.

9. The course described by Colonel Simpson in his letter of 5th July, as that whereby Stores should be issued by him to Civil Departments, viz., on indent countersigned by the Head of the Department, to be honored by the Inspector General in all ordinary cases and reference made by him to Government only in extraordinary ones, is proper and will be generally followed.

(True Extract.)

Chief Secretary.

To the Inspector General of Ordnance and Magazines.
" Superintendent of Marine.
" Acting Accountant General.
" Inspector General of Police.
" Inspector General of Jails.
" Revenue Dept.

Exd. F. Cartledge.

Revenue 1860 Department
Pro: of Govt for Septr.

No. 1908

Proceedings of the Madras
Govt in the Judicial Dept.

Dated 1st
Rec'd 8th } September 1860
No. 1121.

Observing that the Govt
do not wish the system of
payment for stores on issue
to be carried out in any Civil
Department except the Public
Works Department -

No. 1576.

Recorded
11 Sept 1860.

No. 1814182 -