M.R.O. 14—12,000—27-9-34.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1407 Press ~~Mis.~~

513 - 514

Dated 28 - 7 - ~~19~~ 1863

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 28th July 1863.

No. 513. Read the following letter from Lieutenant-Colonel R. STRACHEY, R. E., Secretary to the Government of India, Public Works Department, with the Governor General, to the Secretary to the Government of Madras in the Public Works Department, dated Simla, 3rd July 1863, No. 1,260 :—

SIR,

1. I am directed by His Excellency the Governor General to draw the attention of the Madras Government to the system of Forest Accounts at present obtaining in that Presidency. The necessity of pursuing a systematic plan in the rendering and auditing of these accounts will be obvious ; but the Government of India, before taking any steps towards laying down a general system for adoption, under which the accounts of the forest expenditure and income shall be rendered in all Provinces, is desirous of obtaining the views of the Government of Madras and the results of the experience already gained in that Presidency.

2. It is supposed that the Conservator of Forests in your Presidency is not himself a Disbursing Officer, but is merely charged with duties of control or supervision.

The Executive Officers who make disbursements and receive revenue are, it is understood, in most instances Officers or Subordinates of the Forest Department.

In a few instances, District Officers have, it is believed, a direct share in the executive management of forest Districts.

3. The first questions which have to be asked on this subject are, how are the Executive and Disbursing Officers supplied with funds; how do they deal with the revenue realized; and to whom, and in what form are their accounts rendered ?

Assuming the Budget Estimate of expenditure to have been sanctioned for the year, it is supposed that some Officer, either the Conservator of Forests or the Deputy Accountant and Auditor General at the Presidency, is authorized to issue letters of credit up to the amount sanctioned. The system followed in this process should be stated. In some Provinces it has been found expedient to have these letters of credit *quarterly* instead of *monthly* as is otherwise usual. This may perhaps be necessary when Officers are located at a distance from Treasuries, or are frequently absent from head quarters. An opinion on this head is requested, the Financial Department being understood to be, on principle, averse to the issue of any but monthly letters of credit.

It is further supposed that the gross revenue is, as a rule, paid or transferred by account, to the nearest Treasury as soon as received. The practice in this respect should be explained.

It is believed that the accounts of Executive Forest Officers are rendered in some instances to the Officer in charge of the nearest Treasury, in others to the Accountant General at the Presidency, either direct or through the Conservator's Office. These accounts will probably exhibit all money transactions of Forest Officers. Precise information is required regarding the form in which these accounts are rendered, and whether monthly or otherwise. They will probably not show the transactions in timber and stock generally, and I am to enquire in what form the stock accounts are rendered, and whether they are limited to monthly statements of receipts and issues, and to periodical balance returns, quarterly or otherwise.

4. The next point on which His Excellency desires information is the system of audit of the forest expenditure. The disbursements made by Forest Officers on account of pay of establishment, travelling, and other allowances, are, it is believed, invariably made on audited bills in the usual form, and if so, it will merely be necessary to know by whom these bills are audited. Bills and Abstracts of working charges and contingent expenses in the Forest Department probably require to be submitted in certain fixed forms. It is requested that copies of such forms may accompany your Report, with a full explanation as to how, by whom, and according to what rules the check or audit is performed. If the Conservator of Forests is not a Disbursing Officer, it may be supposed that he takes a share in this work.

Again, there may, in certain instances, be items which do not admit of immediate adjustment, as advances made for working in the forests. These will stand in inefficient balance until audited. To illustrate the extent of such items and the general working of the present audit

system, I am to ask for a statement, showing the amount of unadjusted items standing against the different Disbursing Forest Officers on the 30th April last.

In like manner the system adopted in adjusting transactions with public Departments, or individuals, supplied with timber, &c., by the Forest Agency, should be explained; and the outstanding claims on such accounts, on the 30th April last, noted in detail.

5. The third point to which I am directed to draw the special attention of the Madras Government is the classification of the different heads of forest revenue and expenditure. The examination of the Forest Budget Estimates for 1863-64 has convinced His Excellency the Governor General that the speedy adoption of a uniform classification is extremely desirable, and he is desirous of obtaining the views of the Madras Government on this subject in full detail. With reference to the classification of forest expenditure, it will be necessary to settle the main heads under which the charges are to be grouped. These will generally be for working and conserving the forests, for establishments, and for contingencies. On this subject a reference may usefully be made to the British Burmah Forest Report for 1861-62, paragraphs 36 to 46, and Statement VI annexed to that Report. His Excellency the Governor General will be glad to receive any suggestions that may be thought worthy of consideration on this subject.

6. The last point on which I am directed to enquire is as to the means available for ensuring the preparation of correct annual returns, and showing the financial results of the management of the forests. It appears to His Excellency the Governor General in the first place that the annual returns should always be checked by the Officer to whom the monthly forest accounts are rendered. This will prevent erroneous calculations in these annual returns, which might otherwise arise from their compilation from incomplete data. It will also be requisite that the forest accounts should be kept and rendered in such a form as to admit of the calculation of comparable rates which shall exhibit the proportion of revenue and expenditure, of surplus or deficit, relative to a certain standard quantity of timber yielded, and a certain standard area of forest land under management. It will be evident that such rates, if calculated with judgment, would, at a glance, give much useful information and admit of a comparison (financially) of the merits of different systems of working a forest.

In some Districts a square mile of forest will of course yield a larger outturn of timber and revenue, and a ton of timber brought out from the forests will yield a greater surplus of profit, than in others. This will in a great degree depend on the character of the forest, its situation, and the facilities for the transport of its produce. But it will to no small extent also depend on the system of working, and on the good or bad management.

7. In conclusion I am to observe that His Excellency the Governor General strongly feels the importance of simplifying to the utmost the system under which the forest accounts are to be rendered, and he does not doubt that a system of accounts may be devised which shall ensure easy adjustment and efficient check by the local authorities, and provided at the same time for furnishing reliable and comprehensive general results to the Government of India without unduly burdening Forest Officers with desk work. The Government of India has no desire to interfere in any matters of detail either in the forest accounts or management, and its object in making the present enquiries is only to obtain data on which to fix the forms in which the forest Budgets and Forest Accounts shall be submitted for its general control and information.

No. 514. ORDER THEREON, 28th July 1863, No. 1,407.

Forwarded to the Acting Conservator for immediate and full report.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

To the Conservator of Forests.

Exd. S. T. Augustin.

Revenue 1863 No. 1765.
Pro. of Govt. 3rd Aug.
No. 1765.

From the Secy. to
the Govt. of India
with the Govt. Gen.

Dated 30th July 1863.
Received 28th Aug. 1863.

No. 1260.

From Offg. Secy. of Govt.
dated 26th July 1863 Encl. 2060
Proceedings 24th ult. No. 2097 & 2098

Asking certain
information regarding the
system of Forest Accounts
at present obtaining in this
Presidency.

No. 1407 - 28th July

Withdrawn
Dr

Copy mailed to
Conservator 1st March 64
No. 22.

No. 1407.
Forwarded to the Acting
Conservator for imme-
diate and full
report.
28 July
J D S

4 Copies to the Conservator of Forests
Mt Copies

No. 323-8/15

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