M.R.O. 14—13,000—27-9-24.

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 190 Press ~~Mis.~~

57-52

Dated 3-2-~~19~~ 1864

Not to be folded or roughly handled

No. 51. From Captain R. H. BEDDOME, Officiating Conservator of Forests, to J. D. SIM, Esq., Secretary to Government, Revenue Department, Fort Saint George, dated Camp Ootacamund, 25th August 1863, No. 646:—

SIR,

1. I have the honor to acknowledge the receipt of Colonel Strachey's letter, dated 3rd of July, No. 1,260, communicated in G. O. No. 1,407 of the 28th ultimo, regarding the system of Forest Accounts at present obtaining in this Presidency.

2. In reply I beg to forward a copy of all forms and periodical returns, 19 in number, at present in use in our Department. I also forward a Memorandum with an explanation regarding each. By these I think that the Government of India will perceive that we have a systematic plan of rendering and auditing our accounts.

3. With regard to the working of our forests, I would add that the result of my experience is that the forests of our Presidency must be worked upon two different principles. *First.*—Systematic working by the Department. *Second.*—The License system. All consolidated tracts of valuable forest can be worked by the Department systematically. But Districts that are not rich in timber, and in which the forest are very straggling and situated in different parts of the District with their trees far apart, these Districts must be worked under the License system; if we attempted to work the latter as we do a consolidated forest, a larger Establishment would be necessary than the revenue could afford.

4. With regard to paragraphs 2 and 3 of Colonel Strachey's letter, I beg to inform you that the Conservator of Forests is not a disbursing Officer, but is merely charged with duties of general supervision and control, his subordinates (the Assistants in charge of Districts) are the disbursing Officers.

5. With regard to paragraph 3 of the letter under reply, the first question is fully answered in paragraph 9 of the Explanatory Memorandum herewith forwarded. With regard to the second question: *How do they deal with the revenue realized?* I beg to inform you that the revenue is never appropriated to the current expenses of a forest, but all sums are immediately remitted to the nearest Taluk Treasury to be carried to the credit of Forest Revenue, agreeably to the instructions conveyed in the Board's Proceedings No. 3,727, dated 15th July 1861. Where a District is worked by the Licence system, the seigniorage payments do not pass through the hands of the Executive Officer. When parties require timber they have to pay the seigniorage for the amount required in advance to the Revenue authorities, who grant a numbered voucher in duplicate from the printed Voucher Cheque book. The Executive Forest Officer upon receipt of this document grants a printed license from the License book, and attaches the duplicate voucher thereto, the name of the wood and the jungle in which it is to be felled is entered in this license; these documents are given up when the timber is passed through the Tannah station. Both the Voucher and License books have cheque margins.

6. With regard to the third question: *To whom and in what form are their accounts rendered?* I beg to inform you that the Executive Officers render their accounts periodically to the Assistant in charge of the Central Office, in the manuscript and printed forms supplied from the Central Office, copies of which are herewith forwarded (Nos. 1, 2, 3, 4 and 7).

7. With regard to clause 2 of paragraph 3, the system of advances is fully explained in paragraph 9 of the Explanatory Memorandum. As the Conservator's duties often necessitate his being out of the reach of any regular Tappal, much delay might often occur if the Estimates had to be signed by him monthly; the Madras Government, therefore, ruled that these Estimates should be forwarded quarterly by the Assistant Conservators, and after having been carefully examined by the Conservator himself should be forwarded by him in a consolidated form to the Accountant General, the Accountant General then forwards a separate letter of credit for each month.

8. The other questions in paragraph 3 of the letter under review, are fully answered in the Explanatory Memorandum and the documents herewith forwarded.

9. With regard to the system of audit of Forest expenditure noticed in paragraph 4 of the letter under reply, I beg to state the salary bills submitted by the Executive Officers are first

audited in the Central Office and forwarded to the Civil Paymaster, countersigned by the Conservator of Forests, or, in his absence, by the Assistant in charge of the Central Office. The Civil Paymaster after finally auditing them returns the bills to the Central Office, where the charges which have been previously entered in the Register are marked in red ink and sent to the Officers concerned, who draw the amount from the Treasury on which the payments of the bills have been passed.

Bills and Abstracts of working charges are audited monthly in the Central Office and sent, under instructions conveyed in Government Order No. 1,868, dated 15th October 1860, to the Board of Revenue, countersigned by the Conservator of Forests, or, in his absence, by his Assistant in charge of the Central Office. The Board after passing the bills forward them to the Civil Paymaster, who after auditing returns them to the Central Office where the several charges so passed are compared with the items of the Register kept in the Central Office, and marked in red ink, and then the passed bills are forwarded to the Officers concerned, to be sent to their respective District Collectors for adjustment in their accounts. The Collectors, after making the necessary adjustment in their accounts, transmit the passed bills to the Accountant General, to serve as vouchers in support of the advances made on account of the Forest Department.

The bills passed for the payment of salaries of the fixed Establishment and travelling allowances are likewise sent to the Accountant General, in support of the disbursements made from the Treasuries on account of the Establishments of the Department.

10. With regard to clause 2 of paragraph 4 of Colonel Strachey's letter, I beg to enclose two Statements,* regarding the unadjusted items standing against the different disbursing Forest Officers on the 30th of April 1863, as also the outstanding balance due for timber supplied from several depôts of the Department on that date. With the exception of a small quantity of timber purchased by one Mr. Bake from the Anamallay forest, all money due for timber purchased by parties from several other public depôts were, agreeably to the instructions conveyed in paragraph 4 of Extract Minutes of Consultation dated 12th November 1857, collected before the removal of the timber, and remitted to the nearest Talook Treasury to be carried to the credit of the Forest Revenue for 1862-63.

* Nos. 20, 21.

11. With regard to paragraph 5 of Colonel Strachey's letter, the following are the classification of the different heads of Forest Revenue and Expenditure:—

REVENUE.

Sale of Teak timber.
Do. Black-wood.
Do. Sandal-wood.
Do. do. roots and chips.
Do. Vengay.
Do. Jungle wood.
Seigniorage on Red Sanders.
Seigniorage on timber for building and agricultural purposes.
Do. Firewood of cart, head, bullock and donkey loads.
Do. Bamboos.
Sale of public cattle and plant.
Miscellaneous receipts.

EXPENDITURE.

1.	Salaries and allowances.	Staff and Military pay and travelling allowances of Officers. Pay of the fixed Establishment.
2.	Felling and squaring.	Hire of Axemen for felling and squaring timber of all descriptions. Hire of Sawyers for sawing logs into planks.
3.	Collecting timber in Depôts at Karkana.	Feed and keep of Commissariat Elephants. Do Forest do. Do. do. Bullocks. Do. do. Buffaloes.

4.	Carriage from Karkana to market Depôt.	Carriage of timber, Floating timber to Ponany Depôt. Storing in timber.
5.	Forest rents.	Rent of leased forests. Stump fee.
6.	Plantation.	Forming plantations of Teak. Do. do. Red Sanders. Do. do. Sandal-wood.
7.	Stores.	Purchase of cattle and plant. Miscellaneous charges.

12. As regards the means available for ensuring the preparation of correct annual returns and showing the financial results of the management of the forests, asked for in paragraph 6 of the letter under reply, I beg to explain that a Register of all monthly charges passed for adjustment is kept in the Central Office to ensure the correct preparation of the statement showing the financial results of the Forest operation of the year, as also to check the annual returns received in the Central Office from the Executive Officers, who generally compile their returns from those already submitted monthly to the Central Office.

13. In the Madras Presidency, with the exception of the Anamallay Teak forest (the greater part of which is rented from a rich native, the Collengode Numbaddy,) and the Wynad Teak belt, most of the forests are very straggling, tracts of forests are scattered over each District, and the trees are often very far apart: the timbers are of many different sorts and bear very different market values, it would be therefore next to impossible to draw up any return showing the outturn of timber and the revenue per square mile; nor would such a return if drawn up be of any practical use. In Burmah where there are large tracts of forest such a return can easily be drawn up and would be of great practical use.

14. In conclusion, I beg to state that the system now adopted of adjusting monthly all charges on account of fixed Establishment and contingent expenses, works well in this Presidency. Very efficient Rules also have lately been put in force in each District for the better conservancy of the forests of this Presidency. A Code applicable to the whole Presidency has lately been submitted to Government for sanction. *Vide* Appendix A. of the Conservator's Report for 1862-63.

(True Copy.)

Deputy Secretary to Government.

Exd. S. T. Augustin.

REVENUE DEPARTMENT.
FORT SAINT GEORGE.
3rd February 1864.

No. 190.

No. 52.
From

J. D. SIM, Esq.,
Secretary to the Government of Fort Saint George,

To

The Secretary to the Government of India, Public Works Department.

SIR,

1. I am directed to acknowledge the receipt of your letter noted in the margin regarding the system of Forest Accounts in this Presidency.

3rd July 1863, No. 12,60.

2. The necessity of introducing a proper system of Account was felt in this Presidency on the first organization of the Forest Department, and the services of a professional Accountant and Actuary of known ability were secured for the purpose. This Officer (the late Mr. MacLagan) and the Conservator (Dr. Cleghorn) in communication with the Collectors and Board of Revenue prepared a complete Manual of Accounts for the Department.

3. In this Presidency the Conservator is *not* a disbursing Officer, his duty is confined to directing and controlling the Department, visiting the forests annually, inspecting the Subordinate Offices, &c.

4. The Executive Officers who make disbursements, &c., all belong to the Forest Department.

5. "District Officers," meaning thereby Collectors, have no direct share in the management of Forest Districts, they merely have charge of village jungles and the like, which would not repay the expense of regular conservancy.

Query I. "How are 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."

6. Disbursing Executives draw their funds from and pay all revenue received into the nearest Revenue Treasury, and submit their accounts with the requisite vouchers to the Central Office.

7. Funds are drawn on letters of credit as follows:—

Each Executive Officer forwards to the Conservator a Memorandum of his probable cash requirements for the ensuing quarter, under the different heads of expenditure. The Conservator checks these Estimates, sees that the proposed disbursements are proper and not in excess of the Budget allotment, and forwards them to the Deputy Accountant General, who issues a separate letter of credit for each month's requirements. Owing to the frequent tours of the Conservator it was found necessary to give up the original intention of requiring him to apply to the Accountant General monthly for the cash required by his Subordinates in each month. At this moment the Conservator is in Ganjam, fully fifteen days' post from the Madura range. By the present system he exercises an efficient check, and so far as the disbursing Officers are concerned, the credits are practically monthly. The Executive Officers draw on their credits by cheques.

8. The *gross* revenue is in all cases immediately remitted to the nearest Revenue Treasury, and under no circumstances are payments allowed to be made out of it by the receiving Officers. In the minor forests, worked under the License and Voucher system, the payments are in the first instance made to the Revenue Treasury Officers, who grant vouchers or receipts for the same, so that no revenue passes into the possession of the Forest Department. The Forest Officer on receipt of the voucher, grants a license, if he thinks fit to do so. Both the license and voucher books are printed like cheques with margins, and thus the Revenue and Forest Departments mutually check each other.

II. System of Audit.

9. The accounts of the Forest Officers are sent direct to the Central Office, to which an Assistant is permanently attached, and exhibit every transaction, stock, &c., &c.

10. Salary bills are checked in the Central Office and forwarded with the countersignature of the Conservator, or, in his absence, that of his Assistant, to the Civil Paymaster, who audits and passes them for payment. Bills for working charges are audited monthly in the Central Office and forwarded with the countersignature of the Conservator, or, in his absence, that of his Assistant, to the Board of Revenue who, after examination pass them on to the Civil Paymaster for final audit. The passed bills are forwarded by the Central Office to the Officers concerned, who hand them to the Collector as vouchers for the adjustment of their advances in his books. Finally, the passed bills and accounts of the Department reach the Accountant General.

11. Statements are enclosed of unadjusted advances against the Officers of the Department on the 30th April last. These will of course be adjusted in the current year. Timber is as a rule paid for before delivery.

12. With regard to the third point discussed in your letter, viz., the "Classification of the different heads of Forest Revenue and expenditure" the Government deprecate over-minuteness. For this Presidency it seems quite sufficient to class receipts under the following heads :—

RECEIPTS.

I. Sale of timber felled, &c., by the Department.
II. Seigniorage on timber felled, &c., by purchasers.
III. Rents of jungles and privileges.
IV. Sale of cattle, implements, &c.
V. Fines and forfeitures.
VI. Miscellaneous.

EXPENDITURE.

I. Salaries and allowances of Officers, under the heads "Directing" and "Executive."
II. Do. of fixed Establishment.
III. Travelling allowances.
IV. Working charges.
V. Purchase and keep of cattle.
VI. Rents, &c., of forests.
VII. Formation of plantations.
VIII. Improvement of forest tracks.
IX. Stores and implements.
X. Stationery and sundries.

13. The Government do not see what further detail can be required or would be useful for imperial purposes, but it is entirely a question of money, the receipts and charges can be classified under any number of heads prescribed, if the requisite Establishments are sanctioned. The Government deprecate minute classification, because it will involve large extra expenditure, and take up the time of Officers who ought to be employed in out-door work, while no good results commensurate with these disadvantages will ensue. However satisfactory it may be to see revenue and expenditure minutely classified, assigned to numerous heads, &c., such accounts are really no valid check on the the Department, and it is impossible for the Supreme Government to exercise any thing but a nominal control over transactions daily occurring in forests hundreds of miles from them.

14. As to the last point, viz., "the means available for ensuring the preparation of correct "annual returns," I am to state that the Government consider their present agency quite sufficient, provided always that minuteness of detail is not required. The annual reports submitted to Government by the Conservator and the Board of Revenue show correctly the financial results of each year's management and the accounts are carefully audited. The Budget *Estimates* of receipts when finally passed by Government are as correct as such documents well can be ; absolute accuracy is out of the question, as no one can possibly foresee in October or November what quantity of wood will be sold between the following May and April. With regard to the "calculation of comparable rates" there can be no difficulty in showing how much a certain quantity of timber of different kinds and qualities cost the Government to bring to certain markets, and how much it there realized, but as prices vary according to demand in the market, and the expense of felling, carriage, &c., depend on the cost of labor, distance from the market and other circumstances never precisely the same in two localities, the information would not be of much practical use to the Supreme Government. Comparable rates relative to a certain standard area of forest land would be absolutely worthless in this Presidency, where there are no tracts of continuous forest, except in parts of the Annamallays and Wynád. The forests elsewhere are straggling clumps of trees of various kinds and values, and any estimate of the value per acre would be utterly useless. In a country like Burmah such a calculation would manifestly be very valuable, but such forests as those of Burmah do not exist here.

15. The Forest Department of this Presidency is of recent origin, and has been gradually improved and brought into efficient working order. The Government have been fortunate in securing the services of Conservators of ability, activity, and zeal, and the staff of Assistants now in the Department, are all trained and experienced officers. The Government have every reason to believe that the Department is efficient, and the system well adapted to the peculiarities of the Presidency. They will readily adopt every improvement that can be suggested, for it is as much their duty as their desire to render every branch of their administration as efficient as possible.

16. A complete set of the Returns and Forms in use is enclosed.

I have the honor to be,
Sir,
Your most obedient servant,

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

Exd. S. T. Augustin.

Revenue Department

No. 190.

To

The Secretary to the
Government of India
P. W. D.

I am directed to acknowledge the receipt of your letters noted in the margin regarding the system of Forest Accounts in this Presidency.

2 The necessity of introducing a proper system of account was felt in this Presidency on the first organisation of the Forest Department, and the services of a professional Accountant and Actuary

of

of known ability were secured for the purpose. This officer (the late Mr. MacLagan) and the Conservator (Dr. Cleghorn) in communication with the Collr. and Board of Revenue prepared a complete manual of accounts for the Depart.

3 In this Presidency the Conservator is not a disbursing officer. his duty is confined to directing & controlling the Department, visiting the Forests annually, inspecting the subordinate offices, &c.

4 The executive officers who make disbursements, &c., all belong to the Forest Department.

5 "District officers" meaning

meaning thereby Collr. if these have no direct share in the management of Forest Districts. they merely have charge of village ~~scrub~~ jungles and the like which would not repay the expence of regular conservancy.

6 Disbursing executives draw their funds from all revenue received into the nearest Revenue Treasury and submit their accounts with the requisite vouchers to the Central office.

7 Funds are drawn on letters of credit as follows.

Each Executive officer forwards to the Conservator

a

I. Query.

"How are Executive & Disbursing Officers supplied with funds - how do they deal with the revenue realised - & how & in what form are their accounts rendered"

a memo: of his probable cash requirements for the ensuing quarter under the different heads of expenditure. The Conservator checks these estimates sees that the proposed disbursements are proper and not in excess of the Budget allotment, and forwards them to the Deputy Accountant General who issues a separate letter of credit for each month's requirements. Owing to the frequent tours of the Conservator it was found necessary to give up the original intention of requiring him to apply to

to the Accountant General monthly for the cash required by his subordinates in each month. At this moment the Conservator is in Ganjam fully 15 days post from the Madura range. By the present system he exercises an efficient check and so far as the disbursing officers are concerned, the credits are practically monthly. The Executive officers draw on their credits by cheques.

8 The gross revenue is in all cases immediately remitted to the nearest revenue Treasury, and under no

of Revenue who, after examination, pass them on to the Civil Paymaster for final audit. The passed bills are forwarded by the Central office to the officers concerned who hand them to the Collector as vouchers for the adjustment of their advances in his books. Finally the passed Bills and accounts of the Department reach the Accountant General.

11 Statements are enclosed of unadjusted advances against the officers of the Department on the 30th April last. These will of course be adjusted in the current year. Timber is as a rule paid for before delivering.

12 With regard to the 3rd point discussed in your letter viz the "classification of the different heads of forest revenue and expenditure" the Government depre-

cate overminuteness.

For

For this Presidency it seems quite sufficient to class receipts under the following heads.

Receipts

I. Sale of Timber felled Dep^t, by the Department

II. Seigniorage on Timber felled Dep^t, by purchasers.

III. Rents of jungles & privileges.

IV. Sale of Cattle, implements Dep^t

V. Fines & forfeitures.

VI. Miscellaneous.

Expenditure

Expenditure

I. Salaries and allowances of Officers - under the heads "Directing" and "Executive".—

II. —Do— of Fixed Establ^t.—

III. Travelling allowances.—

IV. Working charges.—

V. Purchase and Keep of Cattle.—

VI. Rents Hire of Forests.—

VII. Formation of plantations

VIII. Improvement of Forest tracts.

IX. Stores and implements.

X. Stationery and Sundries.

The Govt. do not see what further detail can be required or would be useful for Imperial purposes - but it will rest entirely

entirely a question of money - the receipts and charges can be classified under any number of heads prescribed, if the requisite establishments are sanctioned - The Govt deprecate minute classification because it will involve large extra expenditure - and take up the time of officers who ought to be employed in out-door work - while no good results commensurate with these disadvantages will ensue - However satisfactory it may be to see revenue and expenditure classed in such fashion such accounts are really no valid check on the Department and it is impossible for the Supreme Govt to exercise any thing but a nominal control

5

minutely classified, assigned to numerous heads &c

?

14

(by the Conservator
& then Bd of Revn

control over transactions daily occurring in forests hundreds of miles from them -

As to the last point cited "the means available for ensuring the preparation of correct annual returns" - I am to state that the Govt consider their present agency quite sufficient - provided always that minuteness of detail is not required - The annual reports submitted to Govt show correctly the financial results of each year's management and the accounts are carefully audited - The Budget estimates of receipts when finally passed by Government are as correct as such documents will

well can be absolute accuracy is out of the question, as no one can possibly foretell in October or November what quantity of wood will be sold between the following May and April. With regard to the "calculation of comparable rates" there can be no difficulty in showing how much a certain quantity of timber of different kinds and qualities cost the Govt to bring to certain markets and how much it there realised - but as prices vary according to demand in the market - and the expense of felling, carriage &c depend on the cost of labor, distance from the market and other

other circumstances never precisely the same in two localities, the information would not be of much practical use - Comparable rates relative to a certain standard area of forest land would be absolutely worthless in this Presidency, where there are no tracts of continuous forest - except in the Punwa Valley and Wynad - The forests elsewhere are straggling clumps of trees of various kinds and values and any estimate of the value per acre would be utterly useless - In a country like Burmah such a calculation would manifestly be very valuable - but such forests as those of Burmah do not exist here

here -

The Forest Depart-
=ment of this Presidency
is of recent origin and
has been gradually im-
=proved and brought on
into efficient working
order - The Govt have
been fortunate in se-
=curing the services of
Conservators of ability -
activity and zeal and
the staff of assistants
now in the department,
are all trained and
experienced officers - The
Govt have every reason
to believe that the De-
=partment is efficient
and the system well
adapted to the pecu-
=liarities of the Presi-
=dency - They will easily
adopt every improve-
=ment that can be
suggested, for it is
as much their duty as
their desire to render
every

15

every branch of the
administration as ef
=ficient as possible -
A complete set
of the returns and for
in use, is enclosed -

I. D. S.

16

From H. E. The Governor
in Council
Bombay

To The Original Enclosure
sent to the Commissioner
Sindh -

Copy in a letter to England
No. 12 March 1864 No 22.

Revenue 1864 Dep.tt.
Pro: of Govt for February.

No 190.

To
The Secretary to the
Government of India.
Pub. Wks. Dep.
Dated 3d February 1864.

From Govt of Bo
No 10 dated 6 Jan 1864 3095

Government of
India furnished with
information on the System
of Forest accounts in this
Presidency.

No 57 & 52.

C. H. Gamphell Esq. Recd Inwards