M.R.O. 14—13,000—27-8-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 2161	Press ~~Misc.~~
316. 317	
Dated 24-11-1864.	

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 24th November 1864.

No. 316. Read the following letter from F. LUSHINGTON, Esq., Deputy Auditor and Accountant General, to J. D. SIM, Esq., Secretary to Government, Revenue Department, dated Fort Saint George, 15th November 1864, No. 154:—

SIR,

1. I have the honor to acknowledge the receipt of the Proceedings of the Madras Government, No. 1,977, in the Revenue Department, dated the 26th ultimo, referring, for my opinion, the 10th and 11th paragraphs of the letter to them from the Board of Revenue, dated 23rd June last. The proposition which the Board have submitted for the consideration of Government, viz., that in the case of Revenue Contingent bills, their audit should be sufficient without further reference to the Civil Paymaster, involves a principle which, from its general and important character, requires mature consideration. The arguments alleged by the Board in favor of Departmental audit are applicable not only to the contingent charges of the Revenue Department, but likewise to those of other Departments wherein the counter-signature of the controlling authorities is required under the existing system.

2. The Heads of Departments, who at present countersign contingent bills previous to their being passed by the Civil Paymaster, besides the Board of Revenue, are the High Court, the Conservator of Forests, the Inspectors General of Jails and Police, the Principal Inspector General of Medical Department, the Commissary of Diocese, the Superintendent of Marine, the Directors of Public Instruction and of Revenue Settlement, and the Inám Commissioner. There are a few other authorities, such as the Board of Examiners in the case of travelling allowance of Civilians when attending examinations, and the Commissioner of Police for passage money of convicts, who are also required to countersign bills for certain special charges, but this is only occasional. The position of almost all these Officers is analogous to the position which the Board state they occupy in respect to the control and audit of contingent charges in the Revenue Department.

3. The question, therefore, to be considered is, whether the exemption now urged by the Board of Revenue in respect to contingent charges which it is within their competency to pass, from the audit of the Civil Paymaster, is to be confined only to the Revenue contingent charges, or whether, from the similarity of circumstances which exist between the revenue and other Departments, it should be granted to them likewise. I am not aware of any reasons for a special ruling in favor of the Board, but, on the contrary, am inclined to consider that the uniformity of the system which at present exists in the Audit Department will be much disturbed by a change which will be only partial and incomplete, *i. e.*, partial as confined to one Department, and incomplete, as contingent charges only would be departmentally audited.

4. Independently of this, there is a difficulty which I think it necessary to notice here. Under the existing system of appropriating casual savings from the Budget grants, the Local Government frequently require information in regard to the accruing savings under some particular heads. Such savings often happen to be the cumulated result of both fixed and temporary establishments and contingent charges; and if the Civil Paymaster were to be deprived of the means of watching the expenditure on account of contingent charges, he would certainly be unable to afford the information required in such cases. The Auditor General in his letter to the Secretary to the Government of India, Financial Department, No. 1,873, dated 31st March 1862, read in their Proceedings No. 3,514, dated 10th May 1862, observes "that by the requisite arrangement of his Audit Registers, according to the Budget classification, so as to shew the progressive expenditure out of the grants, the Civil Paymaster will be able, with no great additional labor, to give the *earliest* information either to the local authorities or to the Supreme Government regarding the balances of any particular grant undrawn."

5. It therefore appears to me that a Departmental audit, if introduced only in respect to contingent charges, would not be of much advantage. It will be only partial, and as such attended with all the inconveniences of partial changes. I have been, on the other hand, always of opinion, that a complete Departmental audit would be attended with many advantages, provided the Heads

of Departments could be sufficiently impressed with a sense of their responsibility in connection with the examination and admission of the charges of their Departments, but not otherwise. For instance, by the Board of Revenue the audit would no doubt be most carefully and efficiently performed, but by many other Departments the examination of bills would, I fear, be considered both an uninteresting and unimportant duty, and as such confided to a very subordinate officer of the establishment. In that case the audit would be a mere *pro formâ* one, and a very imperfect substitute for that of the Civil Paymaster, who may perhaps occasionally raise unnecessary objections against authorized charges from want of sufficient information, but who certainly does not pass any charge which is not duly authorized. The chief defect in the present system appears to me to be the double audit, which divides the responsibility of passing a charge between the Head of the Department and the Civil Paymaster, and at the same time materially adds to the delay in the adjustment of the charge.

6. The question, however, is one which does not seem to me to be within the competence of the local Government to decide, and as the whole system of Finance, Audit, and Account is now under discussion, and requires to be shortly reported* upon, I beg to suggest that the decision of Government on the point at issue may be deferred till final orders are issued upon the Report of the Commissioners.

* Vide Government Order No. 561, dated 5th November 1864.

No. 317.

Miscellaneous.

ORDER THEREON, 24th November 1864, No. 2,161.

Ordered to lie over.

(True Extract.)

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

To the Accountant General.
„ the Board of Revenue.
„ the Financial Department.

Exd. S. T. Augustin.

Pro 21 June 1624: 324-325
26 Octr 1864 --- 333-334
15 Novr --- 182-183

Rev.
Pro: of Govt for 1864 Department
From
The Dy Audr and Asst Genl
To The Secretary to Govt
Revenue Department

Dated 15th November 1864
Rec'd 16th

No. 154.

No.

Offering opinion on the 10th and 11th paragraphs of the Letter of Government from the Board of Revenue dated 23d June last.

No 2161 - 24 Nov

W. Rathbone

Ordered to lie over.

Fort St. George
24th November 1864

To Accountant Genl Dept 25 Nov

" Bd of Revenue

" Financial Dept

No. 316 & 317.