M.R.O. 14—13,000—27-9-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1997 Press ~~Mis.~~

666. 446

Dated 28-8-1865.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department, 25th August 1865.

No. 445. Read the following Proceedings of the Madras Government in the Public Works Department:—

Passing orders on a Manual of Accounts, submitted by the Controller of Public Works Accounts, for the Department of Public Works of this Presidency. } (Here enter 19th Aug. 1865, No. 2,413.)

No. 446. ORDER THEREON, 25th August 1865, No. 1,997.

Miscellaneous.

1. Communicated to the Board of Revenue.

2. The Controller's proposal to improve the position of his Establishment in regard to pay, by a large grant from Local Funds, appears to be altogether inadmissible, as the Local Funds derive no benefit from, and have no need of the assistance of his Department.

(True Extract.)

(Signed) J. GROSE,

Acting Under Secretary to Government.

To the Board of Revenue, with Proceedings Public Works Department, No. 2,413.
,, the Department Public Works.

Erd. T. O'Connor.

Proceedings of the Madras Government, Public Works Department, 19th August 1865.

No. 466. Read the following letter from Captain J. F. FISCHER, R. E., Controller of Public Works Accounts, to Colonel C. A. ORR, R. E., Secretary to Government, Public Works Department, dated Madras, 29th June 1865, No. 540 :—

SIR,

1. I have the honor to forward herewith the Manual of Accounts for the Public Works Department of this Presidency, compiled under the Orders of Government noted in the margin. It is made up in two Sections, the first being for the guidance of Táluq Overseers, and the second for that of Range Officers. The following remarks will explain the principles on which the Rules in this Manual are based.

G. O. No. 1,137, dated 28th April 1865, paragraph 8.
G. O. No. 1,257, dated 9th May 1865.

2. In communicating the detailed Rules and Forms drawn up in Calcutta, for the revised system of accounts recommended by the English Commissioners, which are embodied in a new edition of two Chapters of the Bengal Code, received with Colonel Dickens' letter of the 10th April 1865, the Government have directed attention to the portions specially indicated by Colonel Dickens as being applicable throughout India, which were ordered to be embodied in the Manual in question; and in respect to the rest, their adoption has been made dependent on the extent to which they may be found suited to the circumstances of this Presidency. Care has been taken to adhere to these instructions as closely as possible, and the four points noted in paragraph 5 of Colonel Dickens' letter, as essential to the new system of accounts, to be observed by every Local Government, have been particularly attended to. These are :—

1*st*. That the Accounts be based on actual disbursements of cash made.

2*nd*. That a monthly clearance be given to every disbursing Officer for his expenditure.

3*rd*. That a clear distinction be made between Accounts of Cash and Stock.

4*th*. That receipts and expenditure by Public Works disbursers from whatever source obtained, whether "Local" or "Imperial" Funds, be brought into one and the same regular Public Works Accounts.

3. Every possible endeavour has also been made to preserve uniformity in the mode of exhibiting details in the accounts of disbursers, as recommended in paragraph 7 of Colonel Dickens' letter, in order that the final Accounts, viz., those to be rendered from the Controllers' Offices generally to the Accountant General, Public Works Department, may be framed in one uniform plan; and this will be evident from the fact that several, if not most of the Rules in the Bengal Code have been adopted in the Manual to the very letter, with the forms to which they have reference, modified only as respects the titles of the Officers and Subordinates who are to work them out in this Presidency. I will now proceed to notice those Rules in the Bengal Code which are not to be adopted in this Presidency, as well as others not observed here but which are recommended to be followed.

* Paragraphs 4, 5, and 6 of Section I, Chapter XIX, Bengal Code.

4. The Rules* and Forms providing for Imprest Accounts with Overseers are not suited to this Presidency, where permanent advances are never made to Táluq Overseers or other Subordinates. The limit† for such advances, about 200 Rupees apparently, is not adapted to the wants of the Subordinates generally. It will hardly in any case be sufficient for a Táluq Overseer, whose requirements though fluctuating monthly, according to the working season, are comparatively much larger, and it is, therefore, held to be inexpedient to adopt the plan of a permanent advance or imprest of a large sum with each Táluq Overseer, when such an advance

† See form No. 3, Part I, Bengal Code.

if at all of use should be equal to the maximum amount of his disbursements for any one month, while besides the risk incurred by keeping such a large sum in his hands, the cash balances will be greatly augmented thereby, and a corresponding sum will be thus kept out of use or be unavailable for expenditure within the year, for the rules require that immediately on the Subordinate reporting the sum expended by him it should be recouped to him, so as to bring up the standing imprest to the original amount, leaving, by this arrangement, the full amount of the imprest with every Subordinate at the beginning as well as the end of the month as a portion of the cash balance in hand; which will amount to a considerable amount if the imprests or balances with nearly 200 Subordinates are taken together. Moreover, the adjustment of the Imprest Account daily, twice a week or weekly, provided for in the Bengal Rules,* is not practicable in this Presidency, where the head quarters of the Táluq Overseer is generally distant from that of the Range, and as a Civil Treasury is within easy reach of every Táluq Overseer, at which he can cash from time to time the cheques given to him by his superior, the Range Officer, there is no need of a standing imprest.

* Paragraph 6, Section I, Chapter XIX, Bengal Code.

5. In lieu of the Rules for the Imprest Account, is substituted the old Rule in paragraph* 6 of the "Rules for drawing funds and keeping accounts," which provides for funds being taken up by Táluq Overseers twice in every month on cheques of small sums, to be cashed as occasion requires; the issue of cheques for small sums and the cashing of them when actually required, if carefully observed, is the best prevention to an accumulation of large cash balances, and as cheques now hold good for three months, instead of only one month as formerly, no difficulty can be experienced in making payments to Contractors or dealers in cheques to be cashed by themselves, nor will any delay occur in obtaining funds, if proper arrangements are made for supplying Táluq Subordinates with a sufficient number of cheques to last until the next remittance becomes due.

* Page 394, printed C. O. B., Department Public Works.

6. No special form of Cash Book except the Imprest† Cash Account is provided in the Bengal Code for the Sub-divisional Officer, corresponding with our Táluq Overseer. The form‡ given for the Executive Engineer of the Division is made applicable to the sub-divisional Officer, in substitution of the Imprest Cash Account, where he draws cash directly from the Civil Treasury, and has a variable cash balance. This form, however, I do not consider suited to the Táluq Overseers of this Presidency, who obtain funds indirectly, viz., on cheques drawn by the Range Officer. The cash account for Bengal Executive Engineers is required to have double columns to represent the cash and treasury credits, and the payments in cash (specie) and by cheques distinctly. The Táluq Overseer gets no Treasury credit for a month, for though he sends up an estimate of his bi-monthly requirements, the whole amount thereof is not absolutely placed to his credit, but he is furnished with cheques to such an amount as the Range Officer considers will suffice for his requirements for a fortnight, which cheques as he cashes them will be brought to credit in his cash account as a receipt, and be charged off when disbursed. I have, therefore, substituted the simple form* of cash book given in Chapter XVIII of the Madras Code. Further, the form† of cash book provided for the Executive Engineer of a Bengal Division anticipates a great portion of the payments being made *directly by that* Officer. It shows disbursements made by him on account of salaries, travelling allowances, and

† Form No. 3, Part I, Bengal Code.

‡ Form No. 4, Part I, and paragraph 7 of Section I, Chapter XIX, Bengal Code.

* Published in Circular No. CLXXXII of the Chief Engineer, dated 3rd April 1861.

† Form No. 4, Part I, Bengal Code.

contingencies, payments for stock articles purchased or manufactured, details of the payments made on Imprest Accounts of Subordinates, transfers of funds to sub-divisional Officers and Subordinates, entered as advances to them to be accounted for in their cash books, besides advances to Civil Officers, &c. The Range Officer in this Presidency does not generally keep a regular cash book, nor post all payments by his Subordinates into a cash book properly so called, except in a few instances where payments are made directly by a Range Officer for works under his immediate supervision without the intervention of Táluq Subordinates. He simply distributes cheques according to the requirements of his Subordinates, and receives their cash books and vouchers accounting for the manner in which they have disposed of the funds thus supplied to them. His cheque book or the counterfoil will show all the cheques issued in a month, and will enable him to make a comparison of these entries with those in the Táluq Overseer's cash book. Some Range Officers have thus no cash payments at all to make *directly*, nor have they a cash balance in their own hands. The Bengal plan may, however, be made generally applicable to this Presidency, by requiring that all payments on account of salaries, establishments, and contingencies should appear in a regular cash book to be kept by the Range Officer, who should enter the amount of all cheques issued in disbursements on this account in his cash book, which cheques need not be brought into the Táluq cash book though some of them may be given in payment of the salaries and allowances of the Táluq Overseer and of his establishment. By this arrangement the payment of salaries, &c., in the form of *advances* out of funds given for works, which is sometimes done and very irregularly, can be prevented, as no salaries nor other charges coming under the head "*Establishment*" need appear in the Táluq cash book. Special and miscellaneous advances which may be made by a Range Officer, on the authority of Superintending Engineers, as well as advances to Civil Officers, should also be properly confined to the Range Officers' cash book; and I propose that in the cash book of the Range Officers should also be entered all payments made by him *directly* to Contractors, or suppliers on account of materials for stock or for works in particular, as well as all expenditure by him on manufacture of stock or manufacture of materials for works. It is believed there is no uniform practice here as respects such payments, and it is well that the proposed rule should be strictly enforced to relieve Táluq Subordinates from a duty which had better not be entrusted to them.

7. The rules given in the Bengal Code under the head "Contract and Purchase Accounts," I would notice in this place, as connected with the subject of accounting for expenditure on such work. These rules are new to this Department, but they were communicated to this Government in a special Circular from the Government of India, and were intended to be taken into consideration with the whole subject about accounts. The rules and forms given provide very fully for all the transaction likely to occur under the above head, and they show the manner in which payments are to be made to Contractors and dealers, and the kind of Certificates, Receipts, and Bills to be obtained from them, or to be made up by the Public Work Officer on their account. I have, therefore, fully embodied them in the 1st Section of the Manual, and consider it very desirable that Range Officers should be enjoined to observe them strictly, and to keep up the accounts, &c., in the forms laid down as carefully as possible. Range Officers are required by these rules to keep all the accounts of contracts and purchases in their own Office, the Táluq Overseer having simply to draw up the certificate of measurements taken by him of contract works where he may be deputed to do so monthly, but payments are to be made to Contractors by the Range Officer direct, and these are to be regulated by the amount or value of work done at the contract rates as shown in these Certificates. Advances in excess of work done being discountenanced as a rule, and where made in exceptional cases are not to exceed the amount of security in deposit. The above rules provide also for all Certificates

Paragraphs 66 to 90, Section I, Chapter XIX, Bengal Code.

Circular No. 40, dated 1st July 1861, in G. O. 2nd September 1864, No. 2,086.

and Bills, being obtained in *duplicate* and in order that Contractors and dealers, &c., may suffer no loss of time in this respect, Range Officers should be enjoined to keep an adequate supply of printed blank forms of such documents so that they may be filled up in his Office promptly, and thus save the Contractor the time and trouble of filling up the several details which are required to be inserted in these Certificates, as a necessary check on the work for the *purposes of this Department.* Every encouragement should be held out by Range Officers to Contractors, as contemplated in these rules, by carrying out the periodical measurement of works undertaken by Contractors punctually at the end of each month, if not oftener, so that payments may be made to them as frequently as possible; and Range Officers should be warned that no evasion of the examination at proper times of contract work will be passed off on the score of trouble or want of opportunity in taking the measurements; nor should Contractors, on the other hand, be obliged to stop progress and submit to taking of measurements for small works frequently, where they are content to wait for the payment of their account on completion of work, when they should be promptly paid up. These remarks have been made at such length, in order that Government may enforce the strict observance of the rules, if approved of.

8. The Bengal form of Station or *Day* Book, as it is newly called, demands a few remarks, it being the chief record of the daily transactions and outlay on works. The body of the Day Book is arranged in the same form as the Station Book now in use here, but there are a few additions in the form which make it quite complete, and these are proposed to be added to the Station Books now in use here. Revised* forms suited to masonry, irrigation works, and roads are amongst those now submitted. One of the additions referred to is an opening page in each Station Book, to give the quantities of work done up to date of report as compared with the last reported quantities; which will thus show the progress made in the *work* itself. To this is to be appended a summary of the charges of the month distributed among the several sub-heads of the abstract estimate, this summary includes expenditure on the work by both the Táluq Overseer and Range Officer, and is to be filled up as respects the expenditure by the latter, in his *own* office on receipt of the original Station Book, from his Cash Book, and other accounts, and the totals thereof will be made up at the same time. The Bengal Code permits charges for all works which do not exceed Rupees 2,500 in estimated cost, as well as of any others in which the separation of the sub-heads of the abstract estimate during progress, is difficult, to be approximately distributed at the end of the month by the Executive Engineer in the summary or the opening page of the Station or Day Book. In such cases it will not be necessary of course to keep separate Station Books to show the distribution of the workmen and materials employed day by day among the several sub-divisions of the abstract estimate. The exception, as respects works not exceeding Rupees 2,500, is apparently intended as a relief to the Subordinate from the labor of keeping up separate books or one book arranged under several heads, but it does not exempt him from the requirement to fill up the quantities of work done, viz., the taking of measurements monthly; while on the other hand it increases the labor of the Range Officer, in that he has to work out or calculate an approximate estimate every month of the charges for the works under 2,500 Rupees, to be distributed in the summary of the Station Book among the several sub-heads of the estimate proportionately; but some portion of this duty is lessened by another exception as respects works of not more than 500 Rupees in cost, for which *no* distribution either of actual or approximate charges to the sub heads is to be made, and for works not above Rupees 200, for which no Station Books nor any distribution of charges are at all required, but a simple account of daily outlay on labor and materials is called for.

* First page to show progress in measurements and summary of charges.
Second and third pages, labor and materials employed daily.
Fourth page to be a cash account of the work.
Fifth page an account of materials not included in above.

Paragraph 19, Section I, Chapter XIX.

9. There will thus be four distinct procedures to be observed as respects the primary accounts of works to be kept according to the Bengal Code, viz.:—

1*st.*—Works *exceeding* in cost *Rupees* 2,500 each are to have Station Books, in which labor and materials actually employed are to be distributed and charged to the respective sub-heads of the estimate at *bonâ fide* cost of each.

2*nd.*—Works *not exceeding* in cost *Rupees* 2,500 each, and such as are difficult to separate the sub-heads of estimate, are to have Station Books in which the labor and materials actually employed are to be shown without any separation of the charges, but for which an approximate estimate of the proportionate charge debitable to each sub-head is to be made monthly.

3*rd.*—Works *not exceeding* in cost *Rupees* 500 each are to have Station Books, in which labor and materials are also to be shown without separation of sub-heads, and for which no approximate charge to each sub-head is to be made up monthly.

4*th.*—Works *not exceeding* in cost *Rupees* 200, for which no Station Book is at all to be kept but the outlay on labor and materials, is to be accounted for monthly in a simple account.

10. I consider the above four-fold way of dealing with works in progress in the first or primary account to be kept upon them is likely to lead to difficulty and delay. The present plan here is to require the classification of the Station Book for works of not less than 2,000 Rupees, those below that limit being entered in Station Books without a distribution of charges to the sub-heads, this plan may, I consider, be allowed to continue with the modification of the money limit to Rupees 2,500 instead of Rupees 2,000, to correspond with the limit in the Bengal Code; but I would not recommend the rule of requiring the Executive Engineer to make up an approximate estimate of the cost each month under every sub-head, as besides the fact that such an estimate may be very arbitrarily or erroneously made up, the result of the labor which this duty will entail on our Range Officers will not be such as to give an adequate check on the outlay under each sub-head of estimate. I would propose that, instead of the approximate estimate being made up every month for works not exceeding Rupees 2,500 that an abstract of the Station Book be made up monthly in the form of an Account or Bill of expenditure, giving particulars of the items under labor and materials as in the present bills for works under Rupees 2,000, and that these abstracts or bills be *invariably* made up monthly by the Range Officer, which can be done very easily from the fact of their being only a compilation of the totals of the Station Book for the month. Such an abstract sent monthly with the Progress Report will be a better voucher for this Office to check prior to passing the monthly clearance for the *bonâ fide* cash expenditure, but to complete the final audit of the same, viz., of expenditure on works not exceeding Rupees 2,500; I would recommend the transmission to this Office of the original sanctioned estimates for such works immediately on their completion, with the last abstract of the Station Book or bill in which expenditure thereon is accounted for, and that a certificate or report be given on the estimate itself of the completion of the work in accordance with the sanctioned plan and estimate, and accounting also for any deviations therefrom. The estimate can then be compared in this Office with the expenditure reported in the several abstracts of the Station Book, and any irregularities or deviations reported in the Statement of objections required by paragraph 30 of the Bengal Code, to be submitted to Government. By the above procedure the submission to this Office of copies of the abstract estimates sanctioned by Government and by local authorities for works not exceeding Rupees 2,500 can be dispensed with, and the Superintending Engineer's Office will be saved the labor of copying these out. I would further propose the substitution of the above-mentioned course for all maintenance grants, for line of roads and canals exceeding Rupees 2,500 in estimated cost, as the outlay on these works cannot be separated under the several sub-heads of the estimate, without great difficulty, and in fact no regular estimate is made up annually for them,

Paragraph 30, Section 2, Chapter XX, and Form No. 50, Part 2.

and for this reason the present form of quarterly bill, arranged according to the sub-heads of the estimate, was permitted to be dispensed with in such cases. This exception may also be extended to other repairs or improvements, the expenditure on which it will be *difficult* to separate under the sub-heads of the estimate, such an exception being made in the Bengal Rule, but to prevent undue advantage being taken of such exceptional cases I would suggest the sanction of the Superintending Engineer being specially obtained by the Range Officer in every such case in which Station Books are reported to be difficult to keep under the several sub-heads, and all works thus undertaken will be reported to Government in the Statement of objectionable items sent from this Office, unless previous special sanction to the change of procedure is communicated to this Office. For works of not more than 200 Rupees in cost the course proposed in the Bengal Code may be pursued in this Presidency, as Station Books may well be given up in such cases, and be substituted by the simple account of expenditure in the form No. 7, Part I, Bengal Code; but I would not recommend such an account being written on the back of the requisition for the work, as proposed in paragraph 24 of that Code. There may be regular estimates properly sanctioned for works of this limit (estimates being dispensed with under existing rules for only petty works of Rupees 50), and the numbers of works coming up to it will be large. In respect to these also (excepting petty repairs under Rupees 50) I would recommend the transmission to this Office of the original estimate on completion of work with a certificate of the kind already alluded to.

Paragraph 24, Section I, Chapter XIX.

Paragraph 15, Section 1, Chapter XIX of the Bengal Code, and Form No. 5 in Part I.

11. A form of daily report is provided in the Bengal Code for Táluq and other Subordinates who may be stationed at the head quarters of the Range Office. It represents the details of labor and materials used daily on each work, and is to be sent the day following to the Executive Engineer or Range Officer, the form being kept up with a counterfoil which contains the same details to be retained by the Subordinate. From this daily report the Station Book for each work is required to be posted up in the Range Office daily, by which plan the Subordinate is relieved of the duty of keeping up Station and Cash Books, and of making the payments directly, as the cash payments can thus be easily made by the Range Officer *direct*, and charged in his cash book at once. This procedure is not new here, for at the Presidency a daily report, almost of a similar form, is submitted by the Subordinates employed on the works to the Range Officers, though not specially provided for in the present rules. It has, however, been provided for in the Manual, and can be adopted not only at the Presidency but at Bangalore and other Military Cantonments, where several works are in execution at the same time, and the Táluq Subordinate will thus be relieved of the duty of submitting accounts and returns in excess of what is absolutely necessary for maintaining a proper check over his actions. If such an arrangement were not made, the Táluq Subordinate would find it a difficult task to render the accounts laid down for his guidance, where works are numerous, chiefly masonry, and in progress at the same time, with only one Gumastah on Rupees 15 and two Lascars on Rupees 6 each, the fixed scale of Establishment for all Subordinates of that class, which would be sufficient for only those Táluqs in which expenditure is confined to a few small works.

Paragraphs 25, 76, and 77, Section 1, Chapter XIX, and Form No. 8 of Part 1, Bengal Code.

12. A form of Station Book adapted to job or task work is provided for in the Bengal Code, which is not amongst those now in use here as laid down by rule, it is simple and is applicable to work done on regular or petty contracts, as well as without special contracts, and can be used chiefly for work done by Wudders, &c. This also has been included in the Manual, as completing the primary forms necessary for accounts of works in progress.

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19th August 1865.

Paragraph 38, Section I, Chapter XIX, Bengal Code.

13. The Bengal Rule requires that the disburser's original cash book should be sent up on the 1st of every month to the Executive Engineer; and that for this purpose the former should be supplied with two cash books to be used in alternate months. I have modified this rule by requiring that for the original or Office copy of the cash book a proper bound book should be used, and a duplicate of it kept up at the same time in loose sheets, which should be attested at the end of the month and forwarded to the Range Officer. This will save time in the copying of the cash book if this duty were deferred to the last day of the month, and will leave to the Táluq Subordinate the possession of his original cash book as a voucher to be produced in evidence should it be required at any time before the local Courts. The duplicate Cash Book and the original Station Books required to be sent to the Range Officer are not amongst the accounts and vouchers to be submitted to this Office, but they should be made available for transmission to it, whenever they may be called for as provided for in the Bengal Code as well as in our own Rules, and for this purpose these accounts should be kept up as the permanent records of the Range Officer, and the Superintending Engineer of the Division should on his tours of inspection be required to examine them, and see that they are kept up in the proper forms and are free from errors, erasures, &c.

See Paragraph 85, Section II, Chapter XIX, Bengal Code.

Paragraph 60, Section II, Chapter XX, Bengal Code, and paragraph 35, page 400, C. O. B., Madras, Department Public Works.

14. It has been already stated that one of the additions to the Station Book is a record of the progress of the works as obtained from measurements taken monthly. This duty necessarily devolves on the Táluq Overseer or other Subordinate under whose immediate execution the work progresses. In the Bengal form of the Station Book a note is required to be made by the Executive or the Assistant Engineer of the Division, at the foot of the first page, as to whether the measurements were checked by the latter with such remarks respecting the same as may appear called for; but he is not required to account for any omission or delay in making the check measurements. By the existing rule* the Range Officer here is bound to take measurements of all works of Rupees 2,000 and above *quarterly*, in order to their being noted in the quarterly bills under the proper sub-heads of estimate with the outlay during the quarter. Government have already ruled that in order to the principle of a monthly clearance to the disburser being maintained, the granting of this clearance should not be made dependent on the Range Officer's inspection and check measurements which cannot always take place monthly. The clearance will, therefore, issue from this office irrespective of the Range Officer's inspection, but as it is desirable that some limit should be fixed beyond which delays or omission to check measurements should be accounted for, I would recommend that the note at the foot of the first page should give information of the date of last inspection by the Range Officer, with an explanation accounting for the omission to check measurements if not done for *three* months from date of last inspection.

* Paragraph 2, Chapter XIX. Madras Code, circulated by the Chief Engineer on the 3rd April 1861.

G. O. No. 1,635, dated 13th June 1865.

15. Taking into consideration the fact that our Táluq Overseers are mostly of a grade somewhat lower than the Sub-divisional Officers in the Bengal Presidency, who consist of Assistant and Sub-Engineers and other superior classes of Upper Subordinates, and that on their measurements the Station Books are filled up, it appears to me desirable that some stress should be laid on the necessity for frequent inspection and check measurements by Range Officers, and that where an explanation of the reason of omission or delay in taking these measurements for

three months is not satisfactory, the fact should be noted in the Statement of objectionable items to be submitted to Government by this Office after communication with the Superintending Engineer of the Division, in accordance with the provision in the Bengal Code for a monthly report of all irregularities in accounts.

Vide paragraphs 28 to 30, Section II, Chapter XX, Bengal Code, and paragraph 10 of Colonel Dickens' letter of 10th April 1865.

16. I may here remark that the necessity for taking frequent periodical measurements of works in progress, in addition to the quarterly inspection fixed by rule, was urged in the Chief Engineer, Colonel Horsley's letter to Government, dated 18th June 1860, paragraph 38, in which it was recommended that the monthly inspection report or journal of all Officers and Subordinates should give an abstract of measurements of work performed and cost thereof up to date of last examination, and that these measurements should be so recorded as to furnish an additional check to that which the final bill for a work will afford in its details, and in the certificate attached thereto of the work done up to its completion. This recommendation was then fully approved of by Government, and circulated with the rules for quarterly bills for works of Rupees 2,000 and upwards ; while at the same time the form in which the measurements were to be reported in the monthly Inspection Lists, was communicated for the guidance of all Officers of the Department ; but there is nothing to show that the intended check has been properly maintained, and as the submission of Inspection Reports to this Office has been discontinued since the introduction of the system of fixed travelling allowances, I am unable to say whether the details laid down in the rules in question are now reported to Superintending Engineers. Taking into consideration that, so far back as the year 1860, two Chief Engineers, Colonels Bell and Horsley, recommended a plan for the periodical inspection and taking of check measurements of works in progress, to ensure an additional check over that given in the quarterly bills, and that to this plan no objection was then taken, there appears to be no reason why the rules laid down in the present Manual for noting measurement in the first page of the Station Books and for the check thereof by Range Officers at stated intervals of not less than three months, if not more frequently, should not be strictly enforced.

17. Assuming that the measurements of works in progress are correctly taken and reported in the first page of the Station Book by Táluq Overseers and other Subordinates, the Bengal Code provides a Register of Works* (a book which was never hitherto kept in this Presidency in the form now given), in which the quantities and value of work done to the end of each month under the several sub-heads of the abstract estimate, for all works exceeding Rupees 500 are to be posted. By the alterations already proposed, this Register will show the cost under each sub-head of only works exceeding Rupees 2,500, but the monthly progress on *quantities* can be posted for all works exceeding Rupees 200 under the sub-heads in question, without separate Station Books being kept. This Register of works is to be posted by the Range Accountant after the Station Books are examined and completed, by filling up the outlay of cash by Range Officers and values of materials or stock issued by him, and from this Register is to be prepared the monthly schedule of expenditure, which is a detailed report of progress in a form somewhat different from that now in use here.

* Form No. 25 Part I, Bengal Code, and paragraph 25, Section II, Chapter XIX.

Form No. 26, Part I, Bengal Code

18. This form of monthly schedule may be adopted in this Presidency with slight modifications to suit it to that of the *Progress Report* now in use, by which name I would wish this return to continue to be called, being one familiar to the Department and well applicable to it, representing as it does progress both of expenditure and quantities of work done during each month, and up to the end of the month, until the completion of the work or termination of the official year. It is

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thus a complete financial record of each work. The form of schedule in the Bengal Code provides for the entry, every month, of the particulars of the estimate, viz., the quantities, rate, and cost under each sub-head. In the Progress Report it is proposed to avoid the entry and repetition of these particulars every month, as they can readily be obtained from the copies of the abstract estimates which Superintending Engineers have been directed to furnish this Office. These copies can be filed here and referred to when the Progress Report undergoes examination, to facilitate which Superintending Engineers can furnish these copies monthly, written up in consecutive sheets, and numbered regularly, the numbers given being those which the estimates bear in their Office Register of estimates, and the same numbers can be quoted in both the Reports of Progress and Appropriation Returns in which the works may be entered.

19. The Progress Report in the new form is also required to give the particulars of all disbursements made, and advances debited in the two Accounts Current of the month (Cash and Stock) to be submitted to this Office, and should not be confined, as at present, to only particulars of the outlay on works. The manner† in which these details are to be furnished is illustrated in the form, and it will be seen that by this plan the Progress Report becomes a complete account particulars of all the disbursements during the month, whether in cash or by issue of stock. The particulars to be given in this return are essential for the posting up of the Journals, Sub-Journals, and Ledger, for each Range to be kept up in all Controllers' Offices, according to the directions in Chapter XX, Section 2, Bengal Code. Should the Government desire that a copy of the Progress Report should be furnished by Range Officers to the Superintending Engineer of the Division, an order to this effect should be passed, and where it may not be held essential to have a copy of the entire return, the labor of making out duplicate copies of which may be considered too great, an extract thereof so far as relates to works only may be made up in the Range Office monthly, and submitted to the Superintending Engineer.

† See paragraphs 29 to 43 in Section II, Chapter XIX, Bengal Code, and Form C. C. attached.

20. As the original Station Books of works will not be transmitted to *this* Office monthly, the fact of check measurements having been made by the Range Officer, and his explanation accounting for delay or omission to make an inspection of works, given in a note at the foot of the first page thereof, will not be known to this Office, unless noted also in the monthly Report of Progress under each work (excepting for those under 50 Rupees each, undertaken without estimate), and I have, therefore, provided for such notes being made in the new form of Reports of Progress. This information will be of use to Superintending Engineers also, who will thus have the means of learning both the progress in cost and quantities, and the fact of check measurements of these quantities having been made by the Range Officer at the proper times, and they will have the means of reporting upon any irregularities in this respect, or of such a kind as will properly enter into the Statement of objectionable items to be sent to Government monthly. A copy of the Progress Report is, it is believed, furnished under existing rules to the Collector of the District, and in Military Cantonments as well as at the Presidency to the Military authorities, but under the present enlarged form extracts of those portions appertaining to works only will be sufficient for the information of those Officers. The labor of furnishing these extracts will be considerably lightened by the adoption of printed blank Forms on good foolscap paper, such a precaution being very necessary for the preparation of the chief financial record of the month. In the Bengal Rules great stress is laid on the necessity for having printed forms ready at hand to fill up all the returns for a month, and if the Collectorate Presses cannot strike off the required number of forms for use in all the Range and Táluq Offices, it is desirable that permission should be given to this Office to have the forms made up at the Presidency in either the Government Printing Establishment or in Private Presses. A large sum (Rupees 13,000) is set apart in the printed Budget for 1865-66 of the Bengal Go-

vernment for printed forms to be made up in the Controller's Office, and if it is held desirable to have the forms struck off at the Presidency and in Private Presses an adequate grant of funds should be made. Such an arrangement will have the advantage of securing uniformity in the forms made up, in size and paper, and will also facilitate the proper arrangement and record of the returns to be rendered to this Office, for under the new system the number of Accounts and Returns to be received from 90 Range Officers will be great. In a Circular from the Accountant General, Public Works Department, communicating to this Office the Resolution of the Government of India, and the two revised Chapters of the Bengal Code with Parts 1 and 2 of the forms to which they relate, it is required that a copy of every blank printed form which may be adopted here be furnished to his Office, and great stress is laid on the necessity for careful attention to the preparation of the blank forms, in order to their being exactly adapted to the purpose in view, and to be in all respects complete, so as to lead to economy of stationery and labor in use. Should the Government authorize the transmission of the blank forms which may be printed hereafter, this Office will attend to the requisition, as respects forms which may be struck off for it, as well as for the Range and Táluq Offices, but the latter may present different varieties in size, &c., as each Range Officer may have them made up.

Paragraphs 47 to 56, Section I, Chapter XIX, under the head "Cashiers," and paragraphs 57 to 65 in the same Section under the head "Store-keepers."

21. The paragraphs in the Bengal Code relating to "Cashiers" and "Store-keepers" do not apply here, where there are no Subordinates of these classes employed in each Range or Division of Public Works on the special duties assigned to them by the rules in this portion of the Code. The Táluq Overseer here performs the duty of Cashier, and the rules and forms for the keeping of Cash and Station Books by him, sufficiently indicate what should be done by him under this head. Where stores are in the custody of the Overseer he will have to be responsible, and account for the same under the rules in the Manual relating to "Tools and Plant" kept up for general use, of which a numerical Register is to be maintained and receipts, issues, and balances reported half-yearly—See paragraphs 26 to 30 of the 1st Section of the Manual. There are Store-keepers attached at present to the Offices of Superintending Engineers, who keep up the accounts of tools and machinery received and issued through them to the Ranges and of such as may remain in their custody, but such accounts will have to be discontinued as soon as the Range Officers are placed in direct account with this Office, when the "Tools and Plant" in store at the Superintending Engineers' Offices will either have to be distributed amongst the several Ranges in the Division or be kept at the Range Office situated at the head quarter Station of the Division, in the accounts of which Range the stores will have to be borne.

22. As respects "Stock" materials, viz., such as are kept for general use on different works, the proportion of charge of which to each particular work cannot be determined until the time of issue, I should observe that such a system is not very general here. Only for timber, bricks, and lime is it necessary in some District to keep "Stock," and this not to any great extent or value. In most cases the practice is being discontinued, as suppliers or Contractors now furnish supplies on agreements or contracts entered into with them, and the receipts of materials from them are charged off direct to the work for which obtained. In Bengal the system of Stock Accounts appears to be general in all Divisions, and stock is there augmented chiefly by manufacture which seldom takes places here. It is on this account probably that the rules for the manufacture, &c., and accounting for stock are in such detail, and the forms so numerous in the Bengal Code. One of the essential requirements, in the introduction of the new system of accounts, being a clear distinction between *Stock and Cash* accounts, a portion of

Paragraph 77 of the Report of the English Commissioners on the revised system of Public Works Accounts.

the rules and forms which could be easily adopted here has been embodied in the Manual. These are, 1st, a Station or Day Book in which charges on account of manufacture of stock, viz., bricks, lime or timber can be posted and divided under appropriate sub-heads; 2nd, an Abstract of Stock materials received and issued and of balances in hand; 3rd, a Register into which charges for manufacture are to be posted prior to entry into the monthly Report of Progress; 4th, the Stock Abstract Book into which the values only under proper divisions are to be posted for the preparation of the 5th, which is an Account Current to be submitted to the Controller with Part 3 of the Stock Abstract Book, as a voucher in support of the entries in the account current. Besides the above, an half-yearly return of receipts, issues and balances actually counted out and re-priced is to be kept for "Stock" as for "Tools and Plant." The rules in the Manual which are sufficiently clear fully explain the manner in which the above accounts are to be made up and rendered by the Range Officers, but I do not propose that separate accounts for each Taluq or Sub-Division are to be kept up here as in Bengal. The Taluq Overseer with his limited establishment of one Gumastah and two Lascars can never cope with the additional work and trouble required for these accounts. I have, therefore, confined stock accounts to Range Officers only, and as their establishments, though increased and modified in the manner suggested by me, will have only two or three Accountants on small salaries, it is desirable that the system of stock accounts should be restricted to actual requirements, and for this reason Range Officers should not be allowed to purchase or manufacture stock without actual necessity for the same, and not until the sanction of the Superintending Engineer has been obtained. They as well as Taluq Overseers are, however, permitted to keep accounts of manufacture of bricks or lime, &c., for particular works to be charged in the Station Books of those works in which the articles, as wrought up and used, will be distributed to the proper sub-divisions of the estimate. Several of the rules in the Bengal Code respecting manufacture of stock are for the posting of sub-divisional stock accounts into the Executive Engineer's books, so as to shew the stock transactions of each Taluq or Sub-Division, and the Stock Ledgers laid down, with rules for averaging of prices for each Division, are unnecessarily in detail, and do not apply here where stock accounts are not proposed to be kept for each Taluq, and these are not, therefore, fully embodied in the Manual. The rules respecting stock obtained from *other departments* being entered numerically only, as the values are not to be paid for to those departments, (under recent financial instructions) have, however, been adopted, and with these have been included instructions for dealing with supplies from a Public Works manufactory or workship or from the Ordnance and Forest Departments, in which cases it is required that the value of the supplies should be brought to account in the Public Works Accounts by actual *cash* payment to the *Public Works Workshop only* but by *transfer credits* to the *other departments*. It has been usual hitherto not to credit the Forest or Ordnance Department for supplies from them, the articles received being either used on works or kept on stock for ultimate use without any value under the instructions noted in the margin; but as a new rule in the Bengal Code treats the Forest Department and the Cossepoor Foundry, Military Department, exceptionally, probably with the view that the accounts of these departments may exhibit the profit or loss at which they are worked on account of the Public Works Department, that rule is considered equally applicable here, as respects the Presidency Workshop, which will, therefore, have to receive cash payment for the charges of manufacture incurred by it as also credit for the value of *Stock* articles issued therefrom, but

See G. O. 13th June 1865, No. 1,624.

See paragraphs 26 to 34, Section 1, Chapter XIX., and paragraphs 67 to 79 of Section 2 of same Chapter, Bengal Code.

See paragraph 80, Section 2, Chapter XIX., and paragraphs 56 to 60, Section 2, Chapter XX., Bengal Code.

G. O. 29th September 1863, No. 2,814.

not for "Tools and Plant" received from England, the value of which is written off as a final charge in the accounts on receipt. Stock articles, however, received from England, such as iron, steel, &c., and issued out, will have to be debited by transfer to the Range or Department on account of which supplied, in order to remove the value of such stock articles from the stock accounts of the Workshop into which they will have to enter in the first instance when received from England, and for this purpose the Presidency Store and Workshop will have to render in future distinct accounts of cash and stock like all other Range Officers, to do which the forms now proposed for Ranges should be adopted by that department, separate from the accounts of "Tools and Plant" including Machinery.

23. In addition to the Cash and Stock Abstracts and Accounts Current to be made up and rendered monthly by Range Officers, and which are essential to the keeping up of the books of the Controller, detailed rules are given for a Journal and Ledger by double-entries to be posted up monthly and closed annually. These accounts are not apparently as a check upon the accounts essential to the system, but are provided made up for this Office as well as to give the Range Officer the means of ascertaining the receipts and expenditure of the whole year under the several heads provided in the Ledger, and in order to the summing up of all the transactions of the year in a methodical manner. To keep up such a set of books for each Range would require the aid of a competent Book-keeper; but such an arrangement is not practicable with the limited sum allowed for each Range Office. In the Bengal Code it is stated that, to aid the Executive Engineer in the compilation of his accounts, a trained Accountant will be attached to each Division; such an Accountant is to be first trained in the Office of the Controller in Bengal, and in most cases will be one of the large number now attached to it, where the compilation of accounts, conducted here at present in the Range and Superintending Engineers' Offices, was performed, and it is these men who are to be detached to the Bengal Divisions on the transfer of this duty to the Executive Engineer of the Division, and they are to be on receipt of salaries much higher than those allowed here for the Range Accountants, and will, therefore, be of a superior class, and better able to perform the duties assigned to them, and, in addition, to keep up the Journals and Ledgers by double-entry above alluded to. But such a training is not practicable in this Presidency where Accountants would have to be detached to 90 Ranges, and the men selected will be those now in the Superintending Engineers' and Range Offices whose services cannot be spared from those Offices to be sent all the way to the Presidency for the purpose of being trained in Book-keeping, for there will be no other competent men remaining in those Offices to conduct the current work during their absence. Besides this, there are only 33 Public Works Divisions or Executive charges in Bengal, for which 41 well-paid Accountants are to be detached, and they have as many as 125 Clerks in addition, being an average of five men for each Division, while the sanctioned scale for Range Offices provide one Accountant only on Rupees 60 for each, and in consequence of the great number of accounts and returns to be made up by him, it was proposed to revise this scale by increasing the number to not less than three for each Range, with smaller rates of pay because the total sanctioned grant on this account could not be increased. This reason is sufficient of itself to confirm the objection to the keeping up of additional accounts. I would mention here that the form of Progress Report has been so modified as to give the Range

Paragraphs 45 to 65, Section 2, Chapter XIX. Bengal Code, and Forms Nos. 27 and 28 in Part I.

Paragraph 3, Section 1, Chapter XIX., Bengal Code.

Vide paragraphs 3 to 4 of Circular of the Government of India, in G. O., 9th May 1865, No. 1,257, and Circular No. 28 of 1864 of the Accountant General, Public Works Department, herewith forwarded.

G. O. 1st June 1865, No. 1,476, and 13th June 1865, No. 1,624.

Officer and the Superintending Engineer the means of ascertaining the total outlay on works and the aggregate disbursements in the year, under every head, and thus one of the uses served by the Ledger required by the Bengal Code is attained.

24. Though it is not practicable for the reason above given, to train 90 Range Accountants by detaching one or two competent Accountants from this Office, in the new duties required of them, principally those of Book-keeping by double-entry, still the duty of locally examining and reporting upon the Range Accounts should not be neglected, for which purpose one of the principal Accountants of this Office should be detached occasionally. This is particularly enjoined in paragraph 40 of the Commissioners' Report, in which it is pointed out that only by personal inspection of the Controller or his Deputy could arrears in the bringing up of the Range accounts and books be prevented, and it is further required that the periodical inspections thus made should be duly recorded in the office books of the Range. It is also ruled in paragraphs 36 and 37 of the same Report that there should be an occasional interchange of Accountants between this and the Range Office for the purpose of teaching and keeping up uniformity of system, and that the Accountants of the latter Office, although in discipline under the control of the Range Officer, should, as regards accounts, form one of the body of Accountants owing allegiance to the Controller, and should be responsible for the correctness and regularity of the accounts, so that, when on inspection duty, the Controller or his Deputy would be supported with that authority which should be possessed for the prompt correction of irregularities in accounts, which Superintending Engineers will be unable to do as effectually during their tours of inspection, from the circumstance of the accounts not passing through them as at present, and the consequent abolition of the Account Establishment now allowed them. The paragraphs of the Commissioners' Report alluded to above are included in those noticed in paragraph 18 of the Proceedings of the Government of India communicating the same, in which approval is given to the recommendations in paragraphs 31 to 40 of the Report, and in Lieutenant-Colonel Wilkieson's letters No. 128, dated 17th May 1864, and No. 203, dated 26th May 1864, paragraphs 16 and 4 respectively, that Officer lays great stress on the necessity for these inspections being maintained here. There is no special rule in the two Chapters of the Bengal Code on this subject, but probably it appears in other parts of that Code in which the duties of the Controller are particularized, but the quotations given above are sufficient to suggest the desirability of orders being passed by Government confirming the recommendations, made respecting the same. The earliest possible inspection of Range Officers, accounts, immediately after the transfer of the compilation of accounts to them, is very necessary, in order to see that they are opened out in the proper forms, and that the new rules are well understood by the Accountants, whose competency for the duties assigned to them can thus be easily ascertained.

Vide Circular from Colonel Strachey, dated 12th April 1864, No. 50A-1,733.

25. Chapter XX.* of the Bengal Code, relating as it does to rules and forms of accounts to be kept in the Controllers' Offices generally, are not, I consider, necessary to be embodied in the Manual. They are made applicable throughout India, and intended for observance by this Office; and need not be circulated immediately for the information of the department generally. Section I. of this Chapter relates to Budget credits and appropriations with form of Registers to be kept here for posting the grants of the year and modifications made in them during it. In G. O. 19th June 1865, No. 1,578, is communicated the instructions of the Government of India respecting the alterations to be made in the forms of the Returns† to be rendered to the Accountant General, Public Works Department, monthly. To these are required to be

* *Vide* paragraph 8 of Colonel Dickens' letter, dated 10th April 1865, No. 306 A.

† Monthly Appropriation Returns in three parts, paragraph 18, Section 1, Chapter XX, Bengal Code, and Form No. 43, in Part II.

Paragraphs 20 to 22, Section 1, Chapter XX, Bengal Code Form No. 44 in Part II.

added a Statement of unauthorized appropriations, the cases which come under this head being detailed in the rules on the subject. In a Circular from the Accountant General, Public Works Department, dated 3rd June 1865, No. 12, a revised form of Divisional Credit Register in lieu of that in the Code is given with instructions for keeping the same, and from these, as well as the rules and forms in this Section generally, it appears that the monthly issue of credits for funds required by each Executive Engineer is made in Bengal directly in favor of that Officer on his application to this Office, and not through the Superintending Engineer of the Division, as in this Presidency ;‡ but this course cannot be pursued by this Office, unless the allotments§ for each Range for a whole year are fixed in the Budget, and grants made from the Reserve or Minor Work allotment are authorized for each Range distinctly. At present Superintending Engineers are empowered to make transfers within ranges of Budget grants, &c., and only transfers between Districts are authorized in special orders of Government, and so long as the appropriation Returns have to be submitted by Superintending Engineers and they are made responsible for a proper and timely distribution of the funds, it is desirable to continue the submission through them of the applications for funds, so that they might have an opportunity of curtailing the same, where applied for in excess of requirements, as they have frequently been of late, and to which attention has been drawn by me. The revision in the form of appropriation returns to be submitted monthly from this Office does not necessitate an alteration of the forms of returns to be sent by Superintending Engineers and they have been already informed of it. It will be seen from the note appended to the Form (No. 42, Part 2, Bengal Code) of return to be sent by Superintending Engineers that it is to be forwarded by them to the Chief Engineer by whom it is transferred after examination to the Controller to be posted in his Budget Register. The local returns here are sent direct to this Office where they are *both* examined and posted. The date fixed in paragraph 19 of the Code for the transmission of the return to the Accountant General, viz., the 10th of every succeeding month, for the transactions of the previous, cannot be adhered to, as already explained to the Government of India, and acknowledged by them in their Secretary's letter, No. 198 A, dated 10th March 1865.

‡ *Vide* G. O. 20th August 1864, No. 2,388.

§ G. O. 10th May 1865, No. 1,274.

Paragraph 26, Section 1, Chapter XX, Bengal Code Form No. 45A in Part II.

Circular No. XIII. dated 19th June 1865, from this Office.

Letter to Government of India, dated 13th February 1865, No. 412, and reply in G. O. 3rd April 1865, No. 904.

26. Section 2 of Chapter XX. relates to audit and booking of the Range accounts in this Office, but some of the paragraphs in it should be communicated for the information of the department generally, and have, therefore, been included in the second Section of the Manual. These are paragraphs 11 to 14 and 24 to 33, the adoption of which was left to this Government in paragraph 10 of Colonel Dickens' letter of the 10th April 1865, and were authorized in G. O. 1st June 1865, paragraph 2, to be adopted in this Presidency. The remaining portion of this Section relates to the procedure to be observed in conducting the audit of expenditure recorded in the Range accounts, and the mode of booking the accounts in this Office, which latter is specially directed (paragraph 11 of Colonel Dickens' letter) to be kept precisely according to the manner explained in the Code and in the illustrative forms in Part 2.

27. Section 3 of the Code relating to accounts of expenditure of Imperial Funds on Public Works by Civil Officers or other departmental disbursers, contains the rules already promulgated in the orders noted in the margin, and the forms given for observance by Civil Officers as well as by this Office, are the same as those now in use from the 1st November 1864, and need not, therefore, be again published.

G. O. 21st October 1864, No. 3,023.

28. Section IV. describing the accounts to be kept of State expenditure on Railways, or other guaranteed enterprize, are based upon new rules now established. These have been communicated to the Consulting Engineers of the Railway and Irrigation and Canal Companies with the instructions given by the Government of India on the separate communication, to which allusion is made in paragraph 13 of Colonel Dickens' letter of the 10th April 1865. Certain proposals made by the Consulting Engineer of the Irrigation and Canal Company for the pre-audit of bills for compensation for land taken up, have been reported upon by this Office, and it is desirable that one uniform course may be adopted as respects the bills of both the Railway and Irrigation and Canal Companies as in this section of the Code, the same rules and forms of account are made to apply to all guaranteed Companies, and the books to be kept in this Office in which the State expenditure on account of these Companies is to appear, should be made up exactly as provided for in the rules which are held to be applicable throughout India. This Section also has not been included in the Manual, it not being necessary for the information of Public Works Officers generally.

G. O. 1st June 1865, No. 1,474.

G. O. 10th June 1865, No. 1,600.

G. O. 1st July 1865, No. 1,895, and 27th June 1865, No. 372, Financial Railway Department.

29. Section V. of the Code, which in paragraph 14 of Colonel Dickens' letter is said to be *entirely new*, and based on orders in the Financial Department of the Government of India, has formed the subject of a special correspondence, and their applicability to this Presidency in whole or partially is dependent on final orders to be yet passed, and could not, therefore, be embodied in the Manual.

30. The last Section VI. of Chapter XX. describes the monthly and annual accounts to be rendered by this Office to the Accountant General, Public Works Department, as well as the books to be kept by it, and as it is not proposed to publish this Section in the Manual, a brief description of these accounts is given, with the numbers of the forms thereof as provided in Part 2 of the book of forms, arranged under the branches or departments of this Office, in which they are to be made up, with information of the means available for the performance of these duties.

BY DIVISIONAL AUDIT BRANCH.

Form No. 51. 1*st. Monthly Journal*—of Cash and Stock receipts and disbursements for each Range posted from the monthly Stock and Cash Accounts Current of each Range.

Form No. 51 continued. 2*nd. Monthly Sub-Journal*—containing details of each work in a Range (Imperial and Local) on which expenditure has taken place monthly, classified under the five Budget heads posted from the monthly Reports of Progress.

Form No. 52. 3*rd. Ledger*—for each Range of debits and credits under main heads posted monthly, and closed and balanced annually.

Form No. 52, continued. 4*th. Monthly Check or Trial Balance sheet*—posted monthly from debits and credits in the Range Ledger under each head.

Form No. 59, continued. 5*th.* *Register of New Works and Repairs.*—executed by each Civil Officer, posted from the monthly abstract.

Form No. 45A, modified by Circular No. XII. of 1865 of Accountant General, Public Works Department. 6*th.* *Register of Budget Grants and Modifications*, and of credit issued monthly for each Range compared with expenditure on it.

Form No. 70. 7*th.* *Annual Statement of Original works completed*, compared with the sanctioned estimate of above Rupees 2,500, shewing the expenditure during each year in which the work has been in progress, and the authority under which passed.

By Appropriation Branch.

Form No. 41. 1*st.* *Budget Register* to be kept in three parts, of original grants and subsequent modifications for major and minor new works and repairs, from both Imperial and Local Funds.

Form No. 41, continued. 2*dn.* *Supplementary Register* of the distribution of the grant for minor works between Government and the Superintending Engineers, and the appropriations by them.

Form No. 43. 3*rd.* *Monthly appropriation Return* in three parts, as the Budget Register, to be rendered monthly.

Form No. 44. 4*th* *Statement of unauthorized appropriations* to be rendered monthly.

Form No. 68. 5*th.* *Annual appropriation and outlay account* on Imperial works, accompanied by *Schedules* of original works and repairs, showing the expenditure on each work exceeding Rupees 2,500.

Form No. 68, continued. 6*th.* Like *Annual Account* for *Local Fund* works.

By Account or Book Branch.

Form No. 53. 1*st.* *Monthly Provincial Abstract of Cash Receipts* under classified heads, posted from the Journals of each Range.

2*nd.* *Do.* *of Cash Disbursements*, posted from do. do.
3*rd.* *Do.* *of Stock Receipts, posted* from do. do.
4*th.* *Do.* *of Stock Disbursements*, posted from do. do.

The above are to be submitted to the Accountant General, Public Works Department, monthly, accompanied by

Form No. 65. 5*th.* *Schedule of Inter-Departmental Cash Receipts.*

6*th.* *Do.* *of Cash Disbursements.*
7*th.* *Do.* *of Stock Receipts.*
8*th.* *Do.* *of Stock Issues.*

Form No. 67. 9*th.* *Monthly Return of Cash Balance*—and Treasury credits for the Deputy Auditor and Accountant General, Madras, with copy to the Accountant General Public Works Department.

Form No. 64. 10*th.* *Monthly Report of Progress* made in the Office of the Controller in auditing and booking accounts.

Form No. 54. 11*th.* *Provincial Journal* of cash receipts and cash disbursements, and of stock receipts and stock issues in the whole Presidency of both Imperial and Local Fund works, posted monthly from the Provincial Abstract.

Form No. 55. 12*th.* *Provincial Ledger* of debits and credits under main heads for the whole Presidency, posted monthly, and closed and balanced annually.

Form No. 56. 13*th.* *Check or Trial Balance Sheet* for each month, posted monthly from the debits and credits in the Provincial Ledger and compared with the totals of each Range Ledger.

Form No. 69. 14*th.* *Annual Provincial Account Current*, of the net transactions of the department, compiled from the Provincial Ledger, *with an Appendix* shewing the closing balances of each Range in Cash, Stock, and Advances, and the balances with Civil Officers, accompanied also by Schedules of Transfers to, and from other Presidencies and Departments.

Accounts with Civil Officers as follows :—

Forms Nos. 57 and 59. 15*th.* *Detail of Monthly Expenditure* by Civil Officers, to be posted from the monthly abstracts rendered by them.

16*th.* *Civil Officers' Abstracts*, in which the details of expenditure under Budget heads are posted.

17*th.* *Journal of Receipts and Expenditure*, by Civil Officers.

18*th.* *Personal Ledger* of Civil Officers.

Accounts of State Expenditure on guaranteed enterprize, viz.,

Form No. 61. 19*th* *Abstract of State Expenditure on Railways*, posted monthly from the Transfer Accounts in Provincial Abstract.

Form No. 62. 20*th.* *Railway Journal*, posted monthly from the Abstract.

Form No. 63. 21*st.* *Railway Ledger*, posted monthly from the Journal.

Form No. 66. 22*nd.* *Monthly Account of State Expenditure* for Railways, to be rendered to Accountant General, Public Works Department.

Form No. 71. 23*rd.* *Annual Account of State Expenditure for Railways.*

Separate accounts in these last five forms will have to be kept and rendered of the State Expenditure for the Irrigation and Canal Company.

Salary Branch.

Form No. 46. 1*st.* *Salary, Travelling Allowance, and Contingent Register* posted monthly from the Bills submitted for pre-audit.

Form No. 46, continued. 2*nd.* *Provincial Monthly Register of audited charges* for extra Establishments under the heads Direction, Construction, and Accounts.

Form No. 60. 3*rd.* *Register of Railway and Irrigation charges* for land taken up.

Form No. 73.

4th. Leave and Service Register of each Officer and Subordinate in the Department for verification of services for Leave, Pensions, and Gratuities.

31. The submission of the *Annual Account of Public Works Revenue*, comparing the receipts with the annual estimate agreeably to Form No. 72, is pending reference to the Government as regards the contents of the entire Section V. of Chapter XX.

32. For the keeping up of the accounts required of the *Divisional* Audit Branch above described, there are 8 Division Auditors available with 8 Sub-Auditors, or two for each Division, being the number which was sanctioned on the modification of the Establishment in June 1863, when these Auditors had to attend to only the auditing of bills for Public Works Expenditure, and examining the Reports of Progress and Appropriation Returns for each District rendered by the Superintending Engineers of Divisions. These Auditors will now continue to receive the Progress Reports, but instead of one for each District, it will be one from each Range, and in greater detail, in lieu of Bills, besides a Cash and Stock Account Current with original vouchers, Abstracts of Station Books, &c., accompanying them, and they will have besides to post up the new form of Journal, Sub-Journal, and Ledger for each Range. Taking the average of 11 Ranges for each Division, there will be 33 books in all to be kept by each Division Auditor and Sub Audtor, besides the Register of Work with each Civil Officer, and Register of Budget Credits, &c., already described A specimen of the Range Journal, Sub Journal, and Ledger, as posted in this Office, from only three months' accounts of one of the Ranges in the Madras District (viz., the Mount Range Accounts obtained from Colonel Boileau, Superintending Engineer, 4th Division,) is submitted for the inspection of Government, to show the amount of labor involved in posting and keeping them up month by month.

1	Division	District,	or 3	Ranges,	12	
2	Do.	do.	2	do.	11	
3	Do.	do.	3	do.	13	
4	Do.	do.	3	do.	13	Not including Store Department.
5	Do.	do.	3	do.	8	
6	Do.	do.	2	do.	10	
7	Do.	do.	3	do.	14	
8	Do.	do.	3	do.	9	
					90	

33. For keeping up the Budget and Appropriation Registers, and compiling the monthly and annual Appropriation Returns, there are only two Accountants available, one of whom is a Sub or Assistant Accountant, and for all the remaining accounts and books, including the Provincial Journals and Ledgers, and the accounts of Civil Officers, as well as those of the State expenditure for the Railway and Irrigation and Canal Companies, there are but two Accountants with two Sub-Accountants, in allowing which number for the compilation of accounts under the new system, the particular forms and numbers of those now called for were not known, nor could have been anticipated, for these are not only different from the forms recommended at first in the Report of the English Commissioners, but a great deal more in detail, and far in excess in number and variety.

34. Besides the above accounts, there are other periodical accounts which are to be forwarded to the Government, and these are,

1st.—Copies of the four monthly Abstracts of Cash Receipts and Cash Disbursements, and Stock Receipts and Stock Issues in each Range, forwarded to the Accountant General, Public Works Department, which was proposed to be substituted for the Statements of Expenditure and Bills submitted in two parts, now furnished monthly. Forms of these Abstracts are herewith submitted.

Vide G. O. 10th March 1865, No. 668.

2nd.—Abstract of the monthly Report of Progress, showing the expenditure under Budget heads for new works and repairs Imperial as compared with the allotment for each Range prepared in one, instead of two parts as hitherto, and a form of which also accompanies.

3rd.—Copies of the annual Appropriation and Outlay Account and of the Appendices thereto, showing the outlay on each new work and repair exceeding Rupees 2,500, the original being sent direct to the Accountant General, Public Works Department.

35. It has been usual hitherto to forward with the monthly compiled Progress Report of the whole Presidency, the original reports of each District received from the Superintending Engineer of the Division, but as the reports are to be received for the current year from 90 Range Officers, and will include Local as well as Imperial works, and these will necessarily describe every work original and repair, it will be very inconvenient both for the Government to receive, and this Office to despatch, such a large number of returns monthly, while they will be needed for constant reference in this Office, under the new system of monthly audit and clearance. Any of the original reports which the Government may call for specially, as well as any other special returns, will, however, be forwarded from time to time, irrespective of the regulated periodicals above named.

Bengal Controller's Office.				RS.
1	Accountant,	1st Class		450
1	Do	do		390
4	Do.	2nd Class, at 250 ...		1,000
3	Do.	3rd do. at 200 ...		600
11	Do.	4th do. at 127 (average)		1,397
20	Accountants			3,837
22	Clerks average salary 55 Rs. each.			1,215
			Office servants...	128
44	Hands			5,180
	Controller			994
	Deputy Controller			500
			Total...	6,674
			Or Annually...	80,088
	Presidency house rent			4,380
	Office Contingencies			3,000
	Travelling allowances			2,000
	Temporary Establishments... ...			500
	Printing Forms			13,000
			Total...	1,02,968

Madras Controller's Office.			
1	Head Accountant		400
1	Second Accountant		200
1	Third Accountant...		150
10	Other Acctts., at Rs. 100 each (average)		1,000
13	Accountants		1,750
13	Sub-Acctts. at Rs. 46 each (average)		550
8	Clerks at Rs. 26 each (average) ...		225
		Office servants ...	75
34	Hands.		2,600
	Controller		1,094
	Deputy Controller		496
		Total...	4,190
		Or Annually...	50,280
	Travelling allowances		1,200
	cOffie Contingencies		600
		Total...	52,080

36. In conclusion I beg to state that I do not think the strength of my Establishment is enough to cope with the additional work to be thrown upon it; and in comparison with that allowed for Bengal, its inferiority in this respect requires only to be put on paper to be clearly seen. In Bengal there are but 33 Divisions or Executive charges, and, of course, but the same number of accounts for each will have to be kept. In Madras we have 90 Ranges, and seperate sets of accounts must be kept for all these. In Bengal they have 44 hands for their Account Office, with liberal rates of pay; while here, we have but 34, for more than double the quantity of work to be done,—for the work required to be executed in keeping up sets of accounts depends entirely on the numbers of these to be maintained (the forms being alike for all Controllers' Offices throughout India) and has nothing whatever to do with the amount allotted in the Budget for any Province, for in fact the larger this is, when the expenditure in a Division or Range, is upon large works or sets of works, the less is the difficulty in keeping the accounts, while Madras is universally admitted to have a great number of small works of irrigation on which the *wet* revenue of this Presidency is dependent, and is thus

exceptional to the other Provinces. The cost of the Controller's Office in Bengal is Rupees 80,088* yearly, whilst in Madras but Rupees 50,280 are granted for similar work on a much more extended scale. In the North Western Provinces, where the Executive Divisions are only 18 in number, with 11 other charges under the separate Irrigation Department there, the cost is still greater, being Rupees 91,200. I request, therefore, that an additional grant of at least Rs. 25,000 a year may be sanctioned as a charge against the Local Funds here, for the increased Establishment required in this Office, to keep up the accounts (with Ranges in the new forms) not only of this Department, but for the auditing of the bills and booking of the accounts of State expenditure for the Railway and Irrigation Canal Companies, as also for the Registers of Revenue Accounts to be hereafter maintained. In Bengal the proportion of charge made to Local Funds on account of Establishments Imperial employed thereon is at 26 per cent. on the cost of the works, but here the rate of charge has been reduced to 10 per cent., while the proportion of the cost of Imperial Establishments to Imperial Works stands at 29 per cent.

* Cost of the Controller's Office in the North Western Provinces with 46 hands Rs. 91,200.

MANUAL OF PUBLIC WORKS ACCOUNTS.

SECTION I.

Accounts of Taluq Overseers.

Funds how to be obtained.

Form A.

1. The Táluq Overseer should obtain funds from the Range Officer twice in every month; but before issue, the former will send to the latter, on the 1st and 15th of the month, a Memorandum of his cash requirements, to satisfy the Range Officer of the necessity for the sums asked for.

Payments to be made in cheques chiefly.

2. The issue of funds will be made in cheques of small sums, not less than 10 Rupees each, and, as a rule, all disbursements shall, as far as possible, be made by cheques, in order that too much cash may not remain in the cash chest.

Cash book to be kept.

* Form B.

3. A regular cash book should be kept by the Táluq Overseer which must be balanced daily, in the form given.* The balance at the end of the month will be tested by actually counting the contents of the chest, and the signature of the Overseer will be attached, in token of the correctness of the entry. A proper bound book should be used for this purpose.

Duplicate of the cash book.

4. A duplicate of the cash book should be kept up at the same time, in loose sheets, which should be similarly attested at the end of the month, stitched, and forwarded to the Range Officer.

Errors in cash balance how dealt with.

5. Whenever, on the contents of the chest being counted, the cash balance, as per the cash book, is found to be incorrect, it must be at once rectified by making the needful entry in the cash book, "to cash found surplus in chest and added to balance," or "by cash deficiency found in chest on this date and deducted from balance," as the case may be. The action to be taken, on the occasion of such deficiency occurring, must depend on the nature of each case.

Importance of the cash book.

6. The cash book is the primary record of the disbursing Officer, upon which the whole accounts of the Department are based, and all other accounts and returns are merely subsidiary to it. The disbursing Officer must, therefore, regard the cash book as his most important record; it must be posted and balanced day by day, exactly as the transactions occur, with perfect accuracy, and in the fullest detail, and reference must always be made to the particular work for which payments are made, and the station book and vouchers to which allusion may be made should be distinctly signified, so that the cash transactions of the disburser may be clearly and precisely understood from it, and the different items easily traced through the accounts of the works.

Necessity for keeping it in great detail.

Entries to be confined to actual cash receipts and payments.

7. It is to be clearly understood that the entries in the cash book are to be confined to *bona fide* cash receipts and payments of the person in charge of the chest. The entry in Táluq cash books as nominal receipts and disbursements of items, which have been actually disbursed (as *e. g.*, payments to Contractors) directly by the Range Officer, is prohibited. The cash transactions of Táluq Overseers are to be confined entirely to the disbursements to be made directly by themselves. Payments to Contractors and others by the Range Officer should not appear in the Táluq cash book.

Definition of cash.

8. The term cash includes specie, currency notes, cheques payable on demand, and treasury transfer receipts. Government securities are not to be treated as cash, or shewn in the cash book.

Range Officer's examination of cash.

9. The cash book and chest should be examined monthly, and, if possible, oftener, by the Range Officer, when the contents should be actually counted, and his signature attached, with any explanatory remarks which may be found requisite for the guidance of the Táluq Overseer.

Station Books for works.

10. In every Executive Range a Station Book shall be kept for each work, or for each section of a road or channel, as may be convenient.

Station Books to be kept in Forms CI, CII, CIII, and CIV.

11. The Station Books will vary in character and form according to the nature of work, but each book shall contain a complete record of the work or section of road to which it refers. In all masonry works Forms C. I. shall be adopted, and when it is used, no other form of Station Book will be required to be kept. In road, and tank and channel works, Forms C. II. and C. III. should be used, while Form C. IV. will be adopted in the case of manufacture of bricks either for special works, or for stock.

Sub-divisions of Station Books.

12. The Station Book for each work exceeding Rupees 2,500 shall be divided, so as to correspond with the principal sub-heads or divisions of the estimate. The labor, &c., employed upon each portion of the work will thus be entered separately, by a distribution of the workmen day by day under each sub-head, and the cash payments will be distinguished in the same manner, so that the cost and rate of execution under each sub-head may be easily ascertained.

Progress of measurements to be given in Station Books.

1st Page of Form C.

13. The Station (*or Day*) Book of each work should also give the progress of the measurement of work done up to date. These measurements, are to be taken by the Táluq Overseer, or other Subordinate under his orders, and attested by him.

Cash accounts to be attached to Station Books.

4th Page of Form C.

14. A cash account for each work is also to be given in the Station Book, or, where room will not admit of it, on a separate sheet of paper attached to the Station Book, in which all materials purchased and paid for and other disbursements by the Táluq Overseer, which do not enter into the body of the Station

Book itself, should be entered, so as to shew the total of the cash payments on each work.

Stock articles and materials supplied by Range Officers to be shewn in Station Books.

5th Page of Form C.

15. Stock articles or other materials paid for by the Range Officer, and used on the work, are to be shown by the Táluq Overseer in a Memorandum on the back of the Station Book with the prices left blank to be filled up by the Range Officer. Materials at site of work received and charged for to the same, but not used, should be shewn at the foot of this Memorandum, with the after distribution of the materials as used up to the proper sub-heads of the estimate. The out-turn of bricks or lime, manufactured by the Táluq Overseer for a particular work, with the cost price thereof, will be shewn in this Memorandum with the distribution of the same to the proper sub-head.

Summary of charges, distributed, to be given in Station Books.

16. The Range Officer will, after he inserts the prices of the articles supplied by him, add to the summary or abstract of charges the cash outlay by himself, and shew the distribution of the total charges amongst the sub-divisions of the estimate, which will help him to compare the outlay with the quantity of work done up to date, and with the corresponding items of the estimate.

Range Officers' check measurements to be noted in Station Books.

17. The Range Officer will then note the check measurements of the work taken by him during inspection, with the date of such inspection, and any remarks that may appear called for.

Distribution of sub-heads not to be given in Station Books for works not exceeding 2,500 Rupees, and for maintenance grants and other Repairs.

18. When the estimated cost of a work does not exceed 2,500 Rupees, the charges need not be distributed in the body of the Station Book over the several minor heads of the estimate, but will be entered under the two heads "Labor" and "Materials." The same course will be adopted in the case of maintenance grants and other repairs, the outlay on which cannot, in the Superintending Engineer's opinion, be divided under Sub-heads.

Charge of the Station Books.

19. Each Station Book shall be under the fixed charge of the Táluq Overseer, of the Gumashta, Conicopillay or other functionary employed on the works and responsible to the Officer or Subordinate in charge for the correctness of the entries.

Daily Reports to be furnished by Táluq Overseers for works at or near Head Quarters.

Form D.

20. In cases of works at or near the head quarters, and particularly in Cantonments where the Táluq Overseer and the Range Officer are at the same station, the latter should call for a daily report, in the form of the Station Book (Form D), and this report should be posted up in the Range Office daily, and in such cases it will not be necessary for the Táluq Overseer, Maistry, or other Subordinate upon the work, to keep up and submit the monthly Station Book in addition to the Daily Report, for it is to be borne in mind that Táluq Subordinates should not be required to submit accounts in excess of what is absolutely necessary for maintaining a proper check over expenditure, and that, as a general rule, the Range Officer's check upon his Subordinates' accounts, should consist rather of frequent inspections of his cash,

stores, records, and works, than of requiring him to render additional papers and returns.

Station Books and Cash Books to be printed.

21. Station Books and Cash Books shall be printed, including the paging throughout, and shall be signed by the Range Officer on the first and last sheet, the number of sheets in the book being noted.

Erasures on no account permitted.

22. Erasures in Station Books and Cash Books shall on no account be permitted. Alterations, when necessary, shall be made in *red* ink, the error being first scored through with the pen. All alterations shall bear the name of the person by whom they are made, and in the case of a Subordinate, the Officer immediately superior shall satisfy himself that the alteration was necessary and correctly made, affixing his initials thereto.

No Station Books required for works costing not more than 200 Rupees.

Form E.

23. The accounts of expenditure on works costing not more than 200 Rupees should be kept by the Táluq Overseer and rendered in Form E, and no separate Station Book need be kept, nor is any distribution of charges under sub-heads of estimate necessary.

Station Books for job or task work.

Form F.

24. When labor is performed by the job or task, a simpler kind of Station Book (Form F.) will be applicable, and it may be here remarked that just in proportion as job work is substituted for day work, and regular contracts for job work, will the accounts to be kept by disbursing Officers be shortened and simplified, and for this reason alone the use and extension of contracts should be carried out by the Range Officer into all descriptions of work performed in his Range to the fullest extent possible.

No Stock to be kept by Táluq Overseer.

25. No Stock materials will be kept by Táluq Overseers. All materials which they may purchase or obtain from the Range Officer should be for particular works, and be at once brought upon the accounts of those works.

Half yearly return of tools and plant.

Form G.

26. Táluq Overseers will render half yearly numerical returns of "Tools and Plant" received, issued, and in hand, in Form G.

Unserviceable Tools.

27. Tools rendered unserviceable should be noted in the return, certified to by the Overseer, who should state the name or names of the works on which used, or that they were used for general purposes. The Range Officer will, on receipt of the certificate, communicate with the Superintending Engineer, and obtain orders regarding the disposal of the tools. When tools are sold by auction, the voucher for the issue, or writing off, will be the account sale receipted by the Táluq Overseer.

Taking stock of tools.

28. Each Táluq Overseer will be required to take stock once a year, in the presence of the Range Officer, of the tools in his charge, and should any discrepancy be discovered between his books and the tools actually in use upon any work, the Range Officer will immediately cause the books to be corrected by making a regular entry of "Found Surplus," or "Found deficient," or "Transferred to the head "Unserviceable," as the case may be, and will report the circumstance to the

Superintending Engineer. After this, the Range Officer will take such steps as may be necessary to trace the cause of the discrepancy, and to point out any neglect that may appear on the part of the Táluq Overseer.

Note to be made of stock taken.

Form G.

29. The circumstance of stock of tools having been taken is invariably to be noted in the first half yearly balance return sent in after the operation is completed, and the column headed "Actual" (Form G.) is only to be filled up when the articles have been actually counted.

Loss of tools how to be accounted for.

30. Similarly, when tools are lost, stolen, or destroyed, they must immediately be written off the accounts, in the same way as if they had been issued, and a report will at once be made to the Range Officer, and the requisite inquiry will immediately be set on foot.

Summary of monthly accounts.

31. The monthly accounts to be submitted by the Táluq Overseer to the Range Officer, will be as follows:—

Station Books of each work with accompaniments.
Certificates of contract works measured up.
Accounts of expenditure on works of not more than 200 Rupees each.

Accounts when to be despatched.

32. The duplicate of the cash book will be invariably sent by the Táluq Overseer on the 1st of the month succeeding that to which it refers, and the other accounts should be sent, not later than the 5th of the month, copies being retained.

Contract and purchase accounts to be promptly settled.

33. Although the following rules for the accounts of contract work and purchases provide for the measurement of, and payment for, contract work monthly, it is to be understood that they do not prevent settlement being made with Contractors at more frequent intervals, when such an arrangement may be desirable. It is indeed only by prompt adjustment of Contractors' accounts, and by paying them up for their work as frequently as it is convenient for them to receive payment, that the objectionable practice of making advances can be avoided. Punctuality in measuring up and paying for Contractors' work is to be invariably practised.

Every payment to a Contractor to be on some specific account.

34. Every payment to a work Contractor is to be on account of some particular work, which is to be specified in the entry of the transaction in the Range Officer's Accounts and on the Contractors' receipt. The practice of making payments on general account to a work Contractor is prohibited.

To which it is to be charged.

35. Every payment made to a work Contractor is to be debited to the work on account of which the payment is made. The Contract Accounts in the Public Works Books will, therefore, be based on the actual cash payments made.

And to be supported by certificate of work done.

Forms H and I.

36. Whenever a payment is made to a Contractor, measurements showing the whole quantity executed up to date of the work on account of which the payment is made, are always to be record, ed, as in Forms H or I. These measure-

ments may be entered either on separate certificates for each work, as per form H, or in one bill or certificate, as in Form I, to embrace several minor works measured for the first time on completion. In either case the certificate is to be prepared in duplicate, the counterfoil being kept by the Officer granting the certificate.

Contractor's bills.

37. When the Contractor submits his own bill, he will do so in duplicate. Both original and duplicate will be attested by the Táluq Overseer in charge of the work, and the latter will be retained by him. These certificates should be numbered in order of issue.

Contractor's receipt for payment.

Forms J. I.

38. Whenever practicable, the receipt for payment to a Contractor should be entered on the back of the certificate. When this cannot be done, a separate receipt, of the kind shown in Form J. I, is to be furnished.

Payments made otherwise than on measurements.
Form J. II.

39. Whenever payments are made otherwise than on measurements, as by way of advances, which should seldom occur, the receipt will be of the kind shown in Form J. II.

Adjustment of contracts when to be made.

40. As a rule, the accounts of contract work, showing the work measured up and payments made, are to be prepared monthly; but in the case of small works, the execution of which runs over only a few weeks, it will be more convenient to measure up and pay for the work on its completion, and the agreements with the Contractors should provide for this when practicable.

Payment and advance for contract work.

41. The above rule will not prevent a Range Officer from measuring up work, and paying for it as frequently as he may desire. On the contrary, every effort should be made, by prompt settlement with Contractors, to obviate the necessity for making advances on the contract beyond the value of work done.

Payments to Contractors in excess of value of work done how charged.

42. Payments made to a Contractor in excess of the value of the work done, as per certificates of measurements, or payments in advance, may nevertheless be passed by the Controller and debited to the work concerned, if apparently reasonable; but such over-payment or advance, when not covered by adequate security, is to be reported to Government in the monthly Statement of objectionable items, for such orders as may be considered necessary.

Accounts of contract for labor only.

Form F.

43. Accounts for contract work for labor only, the materials being supplied by the Department, should be rendered in the manner shown in Form F, to serve as an Appendix to the station book, the payments made being entered in the Contractor's account in the Ledger.

Task work.

Form F. or I.

44. Payments for task work, not done on regular Contract, may be entered either in Form I, like regular contract work, or in Form F for task work, as may be most convenient.

Payments and Advances on Miscellaneous Accounts.

Form K.

45. The above rules will not prevent small advances being made for miscellaneous services (Form K) not chargeable to any specific work or head of service. Such payments are, however,

not to exceed Rupees 50 each, unless under special authority, and any advances made beyond that sum, not covered by work done, or service rendered, will be reported monthly by the Range Officer in the Statement of objectionable items.

The practice of making advances discouraged.

46. Notwithstanding the license allowed in paragraphs 42 and 45, it will be the duty of Range Officers to abstain, as far as possible, from making advances on any account, and they should endeavour to maintain a system under which no payments are made excepting for work actually done.

Payments to Contractors to be made directly by Range Officers.

47. All payments to Contractors will be made as far as possible, by the Range Officer himself, by cheques to be paid directly to the Contractors, and not conveyed to them directly or indirectly through the medium of Subordinates, and these will be entered in a separate Cash Account, to be kept by the Range Officer himself, of all payments for works made directly by himself.

Personal account to be kept with each Contractor.

48. A personal Ledger or Account Current will be kept by the Range Officer with each contractor employed by him, showing on the one side the payments made, and on the other, the value of the work done as per certificate or bills filed

Form L.

(see Form L). This account is to be closed and balanced monthly, and a copy furnished to the Controller. A copy should also be furnished to the Contractor whenever he desires.

Account of Petty Contractors.

49. In cases of petty contract work, and especially when several Contractors are employed on the same work (as *e. g.*, in constructing the embankment of a road, or in excavating a canal), a more convenient way of exhibiting the account with the Contractor is shown in Form M.

Form M.

By this arrangement a separate account is kept with each Contractor, and only the sum of the transactions is carried into the Contractor's Ledger, to a head "Petty Contractors." The work done and payments of the items chargeable to works will be shown by attaching Form M to the Station Books. This form may be used, at the discretion of the Range Officer, for all petty contracts not made on regularly accepted tenders.

Subordinates' accounts of purchases charged to works.

Forms NI and NII.

50. Purchases for works in progress paid for by the Táluq Overseer will be charged in the Cash Book, and entered in the Cash Account of the Station Book for the work (Page 4 of Form C), the Vendor's receipted bill (Form N. I), when such has been furnished, being sent up with the monthly accounts as a voucher. The Vendor's receipted bill for purchases made by Range Officers for a particular work, or for stock, will be furnished in Form N. II.

Accounts of materials for which vendors Bills are not received.

Form O. I.

51. The account of materials purchased for works by Táluq Overseers for which Vendors' bills are not received, will be rendered in Form O. I.

Dealers to be encouraged to send in their bills or supplies.

Form N. I.

52. But dealers supplying stores should be encouraged to send in their own bills monthly, blank forms (Form N.) being supplied to them for the purpose. Receipts for the payments made should be taken on the back of the original bill. The paying Officer will be responsible that the proper stamp is affixed to the receipt in every case.

Range Officer's List of purchases.

Forms O. II. and O. III.

53. In cases where the dealer is unable to submit his own bill to the Range Officer, for the purchases made directly by the latter, a list of purchases (Forms O. II and III.), will be prepared in the Range Office.

Materials for works and stock.

54. This list will show the materials purchased by the Range Officer for each work, or for stock, as the case may be ; the articles bought for the former will be entered in the Station Books of the different works, those for the latter in the Range Officer's Abstracts of stock received.

Road Metal Accounts.
Form P.

55. Purchases of road metal should be detailed in Form P. before being brought into the regular contract or purchase accounts, and should be attached to the Overseer's Station Book.

Payment for purchases to be made by Range Officers.

56. All purchases should, as far as possible, be paid for directly by the Range Officer where Contractors or suppliers are within his Range, and can receivepayment direct.

Note Book.

57. In addition to the regular accounts prescribed above, every member of the Engineer and Upper Subordinate Establishment will be expected to keep a Note Book containing the original rough Memoranda on which the entries in his accounts are made, showing the gangs of laborers counted, the measurements taken of works, and of materials received ; with any other information calculated to assist in preparing the accounts and verifying the entries contained in them. This Note Book is always to be available for inspection by any superior authority.

SECTION II.

Accounts Compiled in the Range Office.

Compilation of Disburser's Accounts.

Form Q.

Form R.

1. In so far as he is himself a disburser, the Range Officer will keep a Cash Book and other accounts, exactly as a Táluq Overseer. This Cash Book will be kept in Form Q ; and besides it, a Treasury account, or Pass Book of the Cheques issued daily should be kept up carefully in the Form R, which illustrates the manner in which the entries should be posted. The following section relates to the compilation of the accounts of the whole Range which takes place in the Range Office.

Examination of Táluq Accounts.

2. On the receipt of the Táluq Accounts in the Range Office, they must be carefully examined in detail, and their arithmetical accuracy tested by the Accountant. The entries in the copy of the Cash Book will also be carefully compared with the entries in the different detailed accounts of works, &c., and with the vouchers attached, and its balance compared with the Cash Balance Return. The Accountant will attach his initials to every account thus examined, in token that he has found it to be accurate.

Points for examination.

3. The attention of the Range Officer should be principally directed to seeing—

First.—That the Accountant has examined thoroughly the accounts as prescribed above.

Second.—That the Táluq Cash Books have been prepared in proper detail, so that the entries in them can be readily abstracted under the recognized classified heads ; also, that those entries are repeated in their proper places in the different works accounts, viz., Station and other books and vouchers.

Third.—That the quantities of labor and materials used are reasonable, compared with the amount of work done.

Fourth.—That the Station Books, or other accounts of works, have been clearly prepared, are supported by proper authority, and admit of being compiled in the prescribed form. If he find himself unable to understand any of the accounts, they should be at once returned to the Táluq Overseer, to be made clear, or the latter should be required to attend the Range Office, if within reach, to furnish the needful explanation.

Accounts to be initialed by Range Officer and check measurements to be recorded upon Station Books.

4. The initials of the Range Officer should be attached to every account examined by him, in token of the fact, and that to the best of his belief, the account is complete and satisfactory. At the same time, the Range Officer should record upon the Station Books or other accounts of works, the check measurements which he may have made.

Stock Accounts to be kept.

5. In addition to a compilation of the cash transactions of his Range, the Range Officer is charged with the duty of keeping the accounts of his stock transactions.

Separation of Stock from Tools and Plant.

6. Public Works Stores are divided into the two main classes of "Tools and Plant" and "Stock." The expenditure on account of the first named class appears as a final charge in the accounts of the year as soon as incurred; the articles purchased or manufactured by this expenditure are henceforth borne on the books in numerical returns only; and the responsibility of the departmental officers is limited to their safe custody and preservation.

Nature of Stock.

7. But expenditure on account of materials belonging to the second class is charged, in the first instance, to a suspense account, termed "Stock," which account is relieved as the materials are issued for use on the works, by being credited with their value.

Accounts of Cash and Stock to be kept distinct.

8. Thus the accounts to be kept and rendered by the Range Officers will comprise both the Cash and Stock transactions of the Range; but the two will throughout be kept quite separate and distinct.

Materials usually to be charged direct to works, and Stock purchases to be restricted within the narrowest limits.

9. Materials when purchased are, as a rule, to be charged direct to the works on which they are used, and only those materials will be brought on to the Stock accounts which are purchased for general purposes, or the subsequent application of which cannot be ascertained at the time of purchase. It will seldom be necessary, under proper management, to keep a stock of materials for general purposes, and Range Officers should endeavour, with proper foresight, to obtain materials as required for each work, and thus obviate the necessity of preparing and furnishing separate Stock accounts. Should it, however, under exceptional circumstances, be necessary to purchase materials on the Stock account, every effort should be made to limit the purchases to the lowest, possible dimensions; and it will be distinctly understood that purchases on the Stock account can be made only on the authority of the Superintending Engineers, who will satisfy themselves that the articles cannot be obtained as required for particular works.

Manufacture of materials by Táluq Overseers.

10. When materials are required to be manufactured by Táluq Overseers for special works, all payments on that account made by them should be charged to the works, and entered in the Cash Accounts attached to the Station Books, under the head "Manufacture of Bricks," or "Manufacture of Chunam," &c., as the case may be. As the materials are turned out and used upon the works for which they were made, the quantity and value of the materials used will be entered *separately* and distributed over the sub-heads of the estimates in the account appended to the Station Books of "Materials not charged within." The manufacture of materials by a Táluq Overseer should not be undertaken, except with the express permission of the Range Officer.

Manufacture of stock for general purposes.

Form V.

11. Payments on account of manufacture on the Stock account, *i. e.*, for general purposes, will be entered in the Stock Abstract V. The restrictions prescribed in the purchase of materials for general purposes will apply equally to manufactures on the Stock Account.

Booking the Accounts.

12. The Accounts of Táluq Overseers having been examined, as above described, will next be carried through the Range Officers' books.

Cash Abstract Book.

13. The first book to be posted is the Abstract Book of cash receipts and payments, Form S. This is posted from the Táluq Overseer and Range Officer's Cash Books, each entry being entered in detail in the proper column.

Abstract of Cash Receipts.

14. The Abstract of Cash Receipts is divided into the following heads, which comprise all the sources of receipts of public money by Officers of this Department. Recoveries of current year's expenditure, hitherto brought as cash or transfer credits, will not so appear in future, as the net expenditure only will be debited monthly. All recoveries made from works *in progress*, whether appertaining to the expenditure charged off in the current or previous years, are to be deducted from the expenditure of the month, and the net only charged. Recoveries of over-payments or advances relating to *completed* works, will be credited as Miscellaneous Receipts.

(1.) Treasury Drawing Account; for credits granted.
(2.) Cash from Treasury; for Cheques cashed and placed in chest.
(3.) Miscellaneous Imperial Receipts, comprising rents of buildings, where realized by Public Works Officers; fines; surplus cash found in chest; sale of tools and plant; recoveries for barrack damages; over-payments refunded, &c., &c.
(4.) Income Tax.
(5.) Stock sales; for amount of sales realized.
(6.) Miscellaneous advances recovered.
(7.) Deposits; for cash received in deposit.
(8.) Transfers within Range; for advances by Range Officer to a Táluq Overseer recovered, or transfers from one Táluq Overseer to another.
(9.) Transfers from other Ranges, Districts or Departments, for cash received from them.

Abstract of Cash Payments.

15. The Abstract Book of Cash Payments shows in like manner all the Cash Payments made throughout the Range in the month, classified under the following heads:—

(1.) Cheques cashed; by Treasury cheques cashed and placed in chest.

Expenditure on Budget Heads divided under the main heads of,

(2.) Original Works.
(3.) Repairs.
(4.) Establishments; divided into Salaries, Travelling Allowances, and Contingencies.
(5.) Tools and Plant.
(6.) Stock purchases.
(7.) Stock; for manufacture, and carriage of stock materials.
(8.) Miscellaneous advances, including all items which cannot be charged to any specific head or work; *e. g.*, payments on account of a gang of laborers or mechanics, who are to be employed on various works; advances to Subordinates on first appointment to the Department, &c.
(9.) Deposits; for refunds of deposits.
(10.) Transfers within Range; for advances made by Range Officer to Táluq Overseers, or transfers of cash from one Táluq Overseer to another.
(11.) Transfers to other Ranges and Departments; for cash payments made to or on account of any other Range.
(12.) Advances to Civil Officers for works.

(13.) Payments to Treasury on account of miscellaneous receipts of the Public Works Department.

(14.) Profit and Loss; for cash lost or stolen.

Cash and Book transfers.

16. The Abstract Book is completed by adding at foot of the Táluq cash entries all book transfers of cash to be debited or credited to other Ranges, as per letters of advice received; also the credits to be afforded to the miscellaneous advances account, for advances worked off—See paragraphs 69 to 71.

All heads rarely required.

17. It is unlikely that the cash transactions of any Range will ever be so numerous and diverse as to require entries under all, or even many of these heads of receipts and payments; but every item of receipt and expenditure in the Public Works Department will fall under some one of these heads, and under no other.

Cash Account Current.

18. The Abstract Book, as above described, contains a record of all the cash transactions within the Range, as well as of the cash payments made beyond the Range on account of it; and from it the monthly Cash Account Current (Form T.*) is next prepared.

* Form T.
With Statements K and U, as accompaniments.

Range transfers to be omitted.

19. The Cash Account Current, being a record of the cash receipts and disbursements of the Range, does not take note of the inter-Range transactions. The transfers of cash from the Treasury to the chest, and the transfers of cash between Táluqs are consequently omitted from this account; on the other hand it shows on the debtor side the miscellaneous advances adjusted, and includes them in the account of works *per contra*; it also shows the transfer payments made in other Ranges, which, although cash actually paid on account of the Range, have not appeared in any Táluq Cash Books.

Stock Abstract Book.

20. The Stock Accounts are next prepared by the Range Officer. Abstracts of materials received and issued will first be completed in Forms V. W. X. and will then be posted into the Stock Abstract Book, Form Y. This consists of three parts.

Forms V, W, X, and Y.

Receipts of Stock.

21. The first part shows the sources of receipts and heads of account to be credited, and brings together the total charges debitable to the account of Stock.

Heads of Credit.

22. The different heads, the credits to which make up the total debit to Stock, are:—

(1.) Cash; for payments on account of manufacture and carriage of Stock.
(2.) Stock purchases; for value of stock purchased or received from Contractor during the month.
(3.) Stock; for stock materials used up in manufactures, and for value of materials manufactured.
(4.) Value of materials received from old or dismantled buildings, or found surplus.
(5.) Miscellaneous advances and payments, for value of recoveries in Stock.
(6.) Transfers within Range; for value of materials issued from one Táluq to another.
(7.) Transfers from other Ranges, including London supplies.

Issues of Stock and Heads of Debit.

23. Part II. of the Stock Abstract Book collects the credits to the Stock accounts of each Táluq for value of Stock issued, and details the different heads of account to be debited, which are as follow:—

(1.) Original Works.
(2.) Repairs.
(3.) Tools and Plant; for value of Stock issued in making up the same.
(4.) Stock sales; for value of Stock materials sold.
(5.) Stock; for value of Stock materials issued to manufacture.
(6.) Transfers within Range.
(7.) Transfers to other Ranges or Departments.
(8.) Profit and Loss; for value of materials lost, stolen, or destroyed.

All Heads not required.

24. As was noticed above (paragraph 17) regarding the heads of the Cash Abstract Book, the whole or even many of these heads of Stock receipts and issues will rarely be required in those Ranges in which it may be found indispensably necessary to keep a Stock of materials. In most Ranges, Stock accounts will not have to be kept, as materials, as a rule, are not stored for general purposes in this Presidency.

Stock Abstract Book, Part III.

25. Part III. of the Stock Abstract Book shows the sum total value of receipts and issues, but distributed by the sub-heads or classes of materials into which Stock is divided, as per classified list.

Stock Account Current.

Form Z.

26. The Monthly Stock Account Current, Form Z, is then prepared from Parts I. and II. of the Stock Abstract Book. The entries in it differ from those in the latter, in that the transfers between Taluqs, which cancel each other, are excluded.

Half-yearly Stock Registers.

Form AA.

27. The half-yearly Stock Reigister (Form AA.) will be posted monthly from the Statement of Receipts and Issues (Form V. W. X.) The balance at the end of the half-year should be carefully checked and actually counted by the Range Officer. Trifling discrepancies between the nominal or book and actual balances may be disregarded, such discrepancies being adjusted by increasing or reducing the rates for actual quantities, so that the money value of the whole may hold good. Serious discrepancies must be at once enquired into and reported to the Superintending Engineer. In every case, the Register of the succeeding half-year will open with the actual balances.

Completion of Station Books.

28. The Station Books of works will now be completed by entering the value of Stock issued to the works, and also the value of materials charged direct to the works, which have been entered in the Station Books of Táluq Overseers, but have been paid for by the Range Officer. The receipts of Stock in the purchase lists and contract accounts will also be carefully compared with the charges debited to Stock in the Abstract Book, so that the correspondence of the debits and credits on this head of account may be complete. The recoveries from the account of miscellaneous advances must also be duly charged to the works concerned. The Station Books and other accounts of works are then posted into the Register of Works (Form BB I.)

Form BB I.

Register of Works.

29. The Register of Works contains a record of every original work or repair estimated to cost more than Rupees 2,500, shewing the expenditure month by month compared with the Station Book. But when a work is completed in the same month in which it was begun, it need not be entered in the Register.

Works not exceeding Rupees 2,500, maintenance grants, &c.

30. In the case of works, the estimate for which does not exceed Rupees 2,500 each, and in that of maintenance grants and other repairs the outlay on which cannot, in the opinion of the Superintending Engineer, be divided under sub-heads, the works Register will show merely the charges against the work in cash and stock, under "Labor" and "Materials" respectively; but for all other works the expenditure will be classified against the different sub-heads of the estimates, and rates struck monthly on each description of work done up to date.

Index to Register of Works.

31. The Register of Works will be supplied with an Index; neatly kept for ready reference.

Report of Progress.

Form CC.

32. So soon as the Register of works is posted, the monthly Report of Progress (Form CC.) should be prepared, which, with the Cash and Stock Accounts Current, have to be submitted to the Controller for audit.

Entries in Report of Progress.

33. The Report of Progress shows in a clear form the expenditure in cash and stock on each work in progress; the estimate or authority on which each work has been undertaken; the expenditure up to date; and the rates at which the different items of the estimate have been executed. The entries relating to measurements of work done will be obtained from the Register of Works.

Items of works not in progress and rates on items of an estimate below 50 Rupees.

34. Items or sub-heads of a work which are not in progress during the month, but on which expenditure has been previously incurred, need not be detailed in the Progress Report, but may be lumped together as "other items."—(See examples in form of Progress Report). Rates need not be struck on such items of an estimate as cost less than Rupees 50 each, which, may also be included under the head "other items." Works completed during the year should be continued in the Report of Progress until the last month of the year; but the details of work done need not be given after the clearance for the month has been granted—columns 11 to 14 will then be left blank.

Works costing not more than Rupees 2,500, maintenance grants, &c.

35. Works estimated to cost not more than Rupees 2,500 each, as also maintenance grants for roads and canals, and other repairs of the description alluded to in Rule 30 need not be detailed by sub-heads, but only the total cash and stock expenditure need be shown in the Report of Progress; but as a voucher in support of such payments, an abstract of the Station Book should be rendered monthly in the form of an account of expenditure or of a bill showing the particulars of the labor and materials employed. In the Abstract of Station Book or Bill for the last month in which outlay has taken place, the date on which the work was last inspected by the Range Officer should be inserted, and a certificate should be furnished that the work has been well executed and that it has been completed in accordance with the estimate, any deviations being at the same time explained in the certificate.

Contract works how shown.

36. Contract work will be detailed in the Reports of Progress in the same way as work done by departmental labor. But when the payment made to a Contractor is in excess of the value of the work done by him, the value of the different items of work done, as per the contract certificate, will be detailed, and the balance

of the advance made will be shown as a payment to Contractor. Similarly, when the value of work done exceeds in amount the payments made to the Contractor, the amount due to him will be deducted, and the difference will be the amount chargeable in the Report of Progress and Register of Works.

Works exceeding Rupees 2,500, in cost.

37. On the completion of a work exceeding Rupees 2,500 in cost the date of last inspection by the Range Officer should be entered in the Progress Report in which the final outlay is accounted for; and a certificate should be furnished similar to that prescribed in Rule 35. In the event of a work commenced in the first half of an official year not being completed by the close of the second, the date of its last inspection by the Range Officer, should be entered in the Progress Report for the month of April.

Classification of Report of Progress.

38. The works in the Report of Progress will be detailed in the following order:—

IMPERIAL.

(1.) "Original works."
(2.) "Repairs."
(3.) "Establishment."
(4.) "Tools and Plant."
(5.) "Stock," divided into manufactures and carriage.
(6.) "Stock purchases."
(7.) "Deposits re-paid."
(8.) "Miscellaneous advances."
(9.) "Advances to Civil Officers."
(10.) "Transfers."
(11.) "Profit and Loss."
(12.) "Stock sales."

Comparison of totals in Progress Report with cash and stock accounts.

39. The total of each of these heads will obviously agree with the corresponding charges in the Cash and Stock Accounts Current, and the accounts should be compared for this purpose.

Classification of Works "Imperial."

40. Original works and repairs should be detailed in the Progress Report under the heads:—

(1.) "Military."
(2.) "Civil."
(3.) "Agricultural."
(4.) "Communications."
(5.) "Miscellaneous Public Improvement,"

thus following the classification used in the Budget Estimate.

Classification of Works "Local."

41. Works executed from Local Funds should be entered in the same order and classification immediately after Imperial works, and the column in which the grants of the year are given should distinguish the particular source of the grant, viz., "Income Tax," "District Conservancy," "Educational," or "Port Funds."

Establishment.
Form DD.

42. Establishments will be shown under the three heads, Salaries, Travelling allowance, and Contingencies. The first two will be entered in the lump, the details being given in the Acquittance Rolls Form DD.

"Tools and Plant." Form G.

43. The expenditure on Tools and Plant will be detailed against the different sanctioned estimates or other authorities for incurring the expenditure in the same way as original works and repairs. Such expenditure will be usually charged in the Cash Book of the Range Officer himself, and an half-yearly Return of the Receipts, Issues, and Balances will be rendered to the Controller in Form G. like that rendered to the Range Officer by the Táluq Overseer.

Manufacture of Stock.

44. Manufactures on the *Stock* Account, if there be any, will be detailed like original works, the progress or out-turn being shown.

Deposits.

45. The Report of Progress will give details of deposits, specify the names of the parties to whom the deposits have been re-paid, and the particulars of the items.

Miscellaneous advances.

46. The items of miscellaneous advances, and transfer payments, will all be detailed in the Progress Report.

Manufacture accounts.

47. For the accounts of manufactures, in which it is essential that the actual results should be distinctly recorded, a separate account will be kept in the Register of Works (Form BB. II) of each manufacture.

Form BB. II.

Carriage of stock.

48. The cost of carriage of materials on stock to works will be charged in the station books or other accounts of the works.

Stock supplied to works executed by contract.

49. Stock supplied to works under execution by contract will be charged to the works. The value of such stock, if he agree to accept it, may also be charged to the Contractor, like cash, upon the contract certificate, and in the Contractor's Ledger; but the charge must be vouched by the Contractor's receipt, in token of his acknowledgment of the debit.

Stock from other Departments.

50. Stock received from any other Department is not to be brought on to the books at a money value. The amount should either be taken as a reduction on the estimate of the work on which the stock is used, or to reduce the rates of the articles belonging to the sub-head concerned, as may be most suitable. Supplies of timber from the Forest Department will be credited to that Department, through the account "Transfer," and will be charged to work, or brought on to stock, at their money value. Supplies from a Public Works Manufactory, such as the Presidency or Dowlaishweram Workshop, will be paid for in cash, and will not be carried through the Transfer Account.

Summary of accounts to be submitted for audit.

*Form T. II.

51. The monthly accounts to be submitted by the Range Officer to the Controller, in addition to the Cash Balance Return,* will consist of

(1.) Cash Account Current with Statement U.
(2.) Stock Account Current, with Stock Abstract, Part III.
(3.) Progress Report of Expenditure.
(4.) Copy of Contractor's Ledger (for the month only.)
(5.) Copy of Petty Contractor's Accounts.
(6.) Progress Report of adjustments of the account of Miscellaneous Advances.

Vouchers to accompany accounts.

52. The accounts will be accompanied by vouchers, as follows:—Abstracts of the Station Books for works not exceeding Rupees 2,500 and for maintenance grants and other repairs of the description alluded to in paragraph 30; Accounts of expenditure on Petty works of not more than 200 Rupees each; Receipts of Contractors for all payments either on the Contract Certificates, or separate, as the case may be; Contract Certificates; Acquittance Rolls received for payments to Establishment (Form DD.); Account Sales of Stock sold; Invoices of Stock transferred; and Receipts for all miscellaneous payments, including transfers and advances exceeding 50 Rupees.

Form DD.

Station and Cash Books to be forwarded to Controller whenever required.

53. The Controller may require the Range Officer to furnish, in addition to the above, the original Station Books of Works, or the Range or Táluq Cash Books, or any other original account of the Range whenever the ordinary monthly accounts appear defective or deficient in detail, or when, from any reason, it may appear desirable to call for further information.

Statement of objectionable items.

Form EE.

54. The monthly accounts will also be accompanied by a Statement of objectionable items (Form EE,) in which the Range Officer will record everything objectionable in the accounts, especially excessive charges for purchases, or rates of work, and cases of work undertaken without sanction, or without estimate, or without Budget appropriation.

Objectionable items in the accounts of Subordinates.

55. Under the system of account above described the Range Officer will receive credit monthly, for the whole of his Cash expenditure, including the disbursements of his subordinates; but should he object to any items in the accounts of his subordinates, he should notice them in the objectionable item statement, and specify whether he considers the amount should be retrenched when, if the Controller and Superintending Engineer concur, the retrenchment will be enforced.

Retrenchments of salary.

56. It should be held, however, that a money retrenchment from a Subordinate's pay will usually be the least fitting penalty in such cases; extravagance, carelessness, and bad work, will be suitably noticed by reprimand; stoppage of promotion, reduction in grade, or even removal from the Department according to the nature of the offence; and a retrenchment of pay should, as a rule, be limited to cases of expenditure being incurred; in direct opposition to orders, and to cases of dishonesty. And whenever a retrenchment has to be enforced, it will seldom be desirable to retain the person retrenched in Government employ. The proper check on the waste or misappropriation of money is to be looked for in the vigilant care and good management of the Range Officer, rather than in any system of retrenchments from the pay of members of the Department.

Accounts when due from Range Officers.

57. The accounts of each month are to be rendered to the Controller by the end of the succeeding month, and in order that this may be done the Range Officer should require the prompt and punctual submission to his office of the accounts of Táluq Overseers.

Accounts when due from Táluq Subordinates.

58. The monthly accounts of Táluq Overseers are, under ordinary circumstances, considered as due in the Range office on the 5th of the month following that in which the expenditure took place if the Táluq Overseer be within a day's post; if the distance of the Táluq Overseer be greater, a day more will be allowed for each day's post.

Course to be pursued when Táluq Accounts are delayed.

59. In the event of the Range Officer not receiving the accounts of a Táluq Overseer within a week after they are due, he should relieve him of his charge, leaving him to complete his accounts, and report the circumstance to the Superintending Engineer.

Range accounts may be prepared without Táluq Accounts.

60. If the monthly accounts of a Táluq are not received by the end of the succeeding month, the Range accounts should be prepared without them, the cash advances made to the Táluq Overseer being shown as part of the cash balance against him, and the omission of the accounts being noted in the Account Current; in such case the detailed disbursements will be incorporated in the Range accounts in the month in which they are received.

Disallowance of salary for delay in rendering accounts.

61. In the audit of establishment charges, disallowance of salary must be made for any undue delay in the submission of monthly accounts by parties concerned.

By Táluq Overseers.

62. If the accounts of any Táluq Overseer are in arrear more than one month after the close of the month to which they refer, half his departmental salary will be disallowed and the retrenchment will be final, unless an explanation be afforded which shall satisfy the Government that the cause of delay was beyond the control of the individual concerned.

By Range Officers.

63. If the accounts of a Range Officer are not received in the Controller's office within two months of the close of the month to the transactions of which they refer, his Staff salary, if a Military Officer, or half his entire salary, if a Civilian, shall be disallowed, and the disallowance shall be final, unless an explanation be afforded which shall satisfy the Government that the default has arisen from causes beyond the control of the individual concerned.

Rule invariable.

64. The Controller has no option, but is bound to act upon this rule without exception, and the term "Accounts," as used above, is to be held to apply to all periodical accounts or returns relating to cash and stores, which have to be rendered to the Controller's office.

Establishment and Travelling Allowance Bills.

65. The Range Officer will prepare a monthly bill for the salaries, and another for the travelling allowances of the whole establishment of the Range. The salary bill should be prepared in Form FF, and the Travelling Allowance bill in the form now in use. These should be despatched to the Controller's office for audit before payment, on or after the last day of each month, the Travelling bill being sent through the Superintending Engineer. The disbursement of salaries or travelling allowances before pre-audit, except on competent authority, is prohibited.

Form FF.

Payment of salaries.

66. Payments of salaries should be made, as far as possible, directly from the Range Officer's office by cheques; such payments should be charged at once to the head Establishment, and not as Advances to Táluq Overseers, and will consequently not be brought into the cash accounts of the latter.

Deducting Income Tax.

67. When salaries are paid in specie, the net amount, after deducting Income Tax, will be paid, but the gross amount will be charged in the Cash Book, the Income Tax being credited per contra. But when salaries are disbursed by means of cheques, the cheque will be drawn to the gross amount, and the Income Tax will be recovered in specie.

Payments to funds and family remittances.

68. Payments to funds and family remittances will be made by the Range Officer, or other member of the establishment from his private purse, and will not appear in the Public Works Accounts.

Distinction between transfer and miscellaneous advance account.

69. The management of transfer accounts requires care to ensure prompt adjustment and prevent mistakes. When cash is paid on account of another Range, as for example, an advance to a Subordinate on first appointment to the Department, the account "Transfers" will be debited, and the transaction, so far as the first Range is concerned, will be a final one. But prompt advice should be sent to the Range Officer of the Range to which the Subordinate is posted, who will thereon credit the account "Transfers," and debit the account "Miscellaneous Advances." When the advance is recovered, he will credit the latter account and debit "Cash."

Transfers between Ranges.

70. A similar procedure will be adopted when purchases are made by one Range Officer on account of another; such payments will be debited by the paying Officer to "Transfers," and by the Officer, on whose account they are paid, to the "Stock Purchases" account.

Miscellaneous advances.

Form K.

71. Advances made to Subordinates or others attached to his own Range for the collection of workmen, &c., will be debited by the Range Officer at once to the account "Miscellaneous Advances." So will be also all advances to Officers of other Departments for supplies, *e.g.*, to a Collector to supply workmen, or to procure materials.

Transfers in books.

72. The procedure for carrying Transfers, and the recoveries of Miscellaneous Advances through the books, has been already explained, (see paragraph 16.)

Distinction between deposits of Cash and Government Securities.

73. In dealing with deposits, a clear distinction is to be made between Cash and Government Securities. The latter will not be brought into the cash or deposit accounts, but will be forwarded through the Superintending Engineer for safe custody in the Civil Treasury. A Register will be kept by the Superintending Engineer of all securities passing through his office. The interest on such securities will be drawn by the Range Officer, on the application of the depositor, from the Treasury by means of Transfer Receipts, for which payment will not be required from the Range Officer. The Transfer Receipt on delivery will be made over to the depositor, and will not be carried through the Cash Book.

Conversion of Cash Deposits into Securities.

74. When a depositor applies to have his Cash deposit converted into Government Securities, the Range Officer will charge the amount actually paid for purchase of such Securities to the debit of his Deposit Account, which will be henceforth reduced to that amount, and will forward the Securities to the Superintending Engineer for custody as above.

Transfer of Deposits to Savings' Bank.

75. Similarly, when a depositor applies to have his deposits placed in the Government Savings' Bank, the amount will be remitted by Transfer Receipt, the account "Deposits" being debited, the amount will be henceforward recorded in the Savings' Bank Books, and disappear from those of the Range Officer.

Accounts of Range to be examined by Officer when assuming charge.

76. A Range Officer succeeding to the charge of a Range permanently or temporarily, shall at once look into the accounts, and see to the early adjustment of the miscellaneous advances ; it will also be his duty to see that the balances standing against the other accounts are supported by proper vouchers, and are entered in sufficient detail to be thoroughly intelligible. He should also examine into all Office books and records, and make a report of any arrears or defects which may appear in them to the Superintending Engineer and Controller.

Public nature of Departmental accounts.

77. All the Departmental accounts are to be kept in the most open and public manner. All disbursements and charges, of whatever sort, connected with the Public Service, must be clearly brought forward in the Public Cash Accounts of the Range, and no irregular, separate, or local accounts, or funds are on any account to be permitted to be kept. The confusion of Private and Public Cash transactions is most strictly to be guarded against.

Range Officer to be in account only with Controller.

78. Further, the Range Officer shall be in account only with the Public Works Controller in respect of all the public money under his charge from whatsoever source received, and whether Local or Imperial.

Account Books are public property.

79. All Account Books and Records connected with the expenditure in the Public Works Department are Government property, and must be given up by every person to his successor in cases of transfer, and to his Departmental superior whenever demanded.

Fractions of Pies.

80. Fractions of Pies will be omitted in all accounts.

Commission.

81. No commission is to be received by any person in the department, nor is commission to be allowed, except in ordinary course to Agents employed for the purchase of stores, or on regular sanction of Government.

Duties of Range Office Accountants.

82. Of the Accountants attached to the Range Office the first or Head Accountant will be held responsible to the Range Officer for the accuracy of all the calculations made in the accounts, who will arrange for this duty being correctly performed between himself and his Assistants. One of the latter will specially be devoted to Vernacular Accounts and Vouchers, and will abstract them in English with a clear docket, so that they may be examined and posted into the several forms accurately. Such of the Vernacular Vouchers as require to be sent to the Controller under these rules will also be docketed in English so as to give the means of a ready check. Endeavour should be made to have Station Books and Vouchers prepared in English, and where this is not practicable the figures at least should be written in English. In all such cases printed diglott forms should be used, having the substance of the Station Books and Vouchers printed both in the Vernacular and in English. These forms can be had at the several District Collector's Presses.

Responsibility of Range Officer.

83. The Range Officer will particularly bear in mind that the responsibility for all disbursements made throughout the Range, as well as for their being accurately charged to their proper heads, as also for the safe custody of all public stores and machinery attached to the Range will rest with him, while at the same

time it is intended that he should keep up such records as will enable him to maintain a full control over the expenditure, and he will further be held responsible for good management and economy throughout his Range ; and he will hold it to be his duty, as well as to his own interest, that the cash and store transactions of his Range for each month are correctly abstracted and condensed in the established forms, and submitted punctually to the Controller for audit, with the needful explanatory Returns and Vouchers, in order to his obtaining a monthly clearance from the Controller for the whole of the cash expenditure within his Range, whether by himself or his Subordinates.

Audit of Range Accounts how to be recorded.

84. The audit by the Controller of the Cash Account Current and Progress Report will be recorded in red ink on the back ; the entry may be signed by either the Controller or Deputy Controller. A formal notice of audit will be sent to the Range Officer (Form GG,) accompanied, when necessary, by a corrected Account Current of Cash or Stock.

Form GG.

Adjustment of corrections.

85. The Range Officer, on receipt of a corrected Account Current, is bound, if he admit the corrections, to make corresponding alterations in his office accounts, so that the balance in them and in the next Account Current to be submitted by him, may agree with that shown by the Controller.

Range Officer bound to enter upon adjustment promptly.

86. If the correction made by the Controller increase the Range Officer's cash balance, the latter is bound to correct his own cash balance at once, by refunding the difference. But the Controller should not correct the cash balance of the account if the matter be at all doubtful ; and, generally, the accounts will be left unaltered, the proposed corrections being merely noted in the correction Statement (Form IIII.)

Form IIII.

Final adjustment to be made within three months.

87. Whatever may be the way in which the correction is recorded in the first instance, the item must in every case be adjusted finally within three months from the date of its being first recorded ; and, failing other means, the Controller is bound to recover the amount by deduction from the salary of the Officer concerned. To this rule there can be no exception.

Statement of objectionable items.

88. The accounts, after audit, will next be passed through the books, and at the same time the Statement of objectionable items, submitted by the Range Officer, will be completed and forwarded to the Superintending Engineer. This Statement will embody all the irregularities which have appeared in the monthly accounts, such as excesses or probable excesses over estimates ; high rates ; expenditure incurred without authority, or without being covered by Budget appropriation ; unauthorized payments to Contractor ; retrenchments ; and losses of cash or stock. The Controller will add any items which have been omitted by the Range Officer.

How objections are to be dealt with.

89. The Superintending Engineer will return the Statement to the Controller, with his opinion regarding the different items, after reference to the Range Officer, if necessary for explanation. The Controller will then prepare a second Statement (Form EE,) containing the items which the Superintending Engineer and himself are unable to settle, or regarding which they differ in opinion, and will submit it to the Government for orders.

Form EE.

90. In regard to excesses over Budget appropriations, items of excess not exceeding Rupees 500 need not be reported. Such small excesses will usually be counterbalanced by savings on other items, and will not appreciably disturb the equilibrium between the Budget grant and expenditure. But for all excesses above grants of more than Rupees 500 on each work, a specific additional appropriation should be applied for, unless the official year has expired.

Excesses above appropriations.

91. When retrenchments are made, three months' grace will be allowed for reference to Government or further explanation, at the expiration of which time, if satisfactory explanation be not afforded, or if the order of the Government for remitting it have not been recorded, the retrenchment must be enforced by deductions from the next salary drawn by the person concerned. Such deductions, which must not exceed one-fourth of the Staff or consolidated salary for the month, will be credited as fines in the accounts.

Retrenchments how to be enforced.

92. Any items which require the special orders of Government previously to being finally passed should be distinguished in the objectionable item Statement. Such are all items of loss of cash. Losses of stock may be either debited to the Stock account, or charged to the profit and loss account, and reported to the Government on the merits of each case.

Items to be specially referred to Government.

No. 467. ORDER THEREON, 19th August 1865, No. 2,413.

ACCOUNT, No. 69.

1. With this letter the Controller submits the Manual of Public Works Accounts called for in the Orders of Government Nos. 1,137 and 1,257, dated 28th April and 9th May 1865 respectively.

2. In the preparation of the Manual, the Controller has kept in view the orders communicated in paragraph 5 of the letter from the Secretary to the Government of India, No. 306A, dated 10th April 1865. These orders prescribe—

1st.—That the Accounts of the Public Works Department shall be based upon actual disbursements of cash made.

2nd.—That every disbursing Officer shall obtain a monthly clearance for his expenditure.

3rd.—That a clear distinction shall be maintained between Accounts of cash and stock.

4th.—That the receipts and expenditure of Public Works disbursements, from whatever source obtained, and on whatever account disbursed, whether from Local or Imperial Funds, shall be brought into the regular Public Works Accounts, so as to be finally passed through the books of the Controller.

3. The Government approve of the Manual generally, and of the principles on which the Rules have been prepared. They will now proceed to notice such portions of the Controller's letter as call for remark.

4. Paragraph 7. The attention of all Range Officers is specially called to the necessity for strict adherence to the rules under the head "Purchase and Contract Accounts." Every effort should be made to extend the contract system to all descriptions of works, and it will be the duty of Range Officers to afford every encouragement to contractors by measuring up, and paying for works undertaken by them with the utmost punctuality. An adequate supply of blank forms of contract certificates and bills should be kept in every Range Office.

5. Paragraph 10. The preparation of Station Books, under sub-heads of estimates, will be restricted to works exceeding Rupees 2,500 in cost. For works estimated to cost from Rupees 201 to Rupees 2,500, as well as for maintenance grants for roads and canals, and for other repairs, the expenditure on which cannot, in the opinion of the Superintending Engineer, be shown under sub-heads, the Station Books will be prepared under the two heads "Labor" and "Materials." No Station Books will be required for works costing Rupees 200 and under.

6. The mode of accounting for expenditure incurred on works costing from Rupees 201 to Rupees 2,500, and on repairs of the description alluded to in the preceding paragraph proposed by the Controller, is approved. As no object will be gained by furnishing the Controller with the original sanctioned Estimates for

such works, the Government consider it unnecessary to require their submission by Range Officers. In the final accounts for *all works estimated to cost Rupees* 2,500 *and under, and for the repairs above mentioned*, it will be sufficient if Range Officers certify that the works have been well executed, and that they have been completed in accordance with the sanctioned plans and estimates.

7. Paragraph 13. Although the Manual does not specially provide for the Accounts of Range Officers and Táluq Overseers being inspected by Superintending Engineers, it will nevertheless be the duty of those Officers to take advantage of every opportunity which presents itself, on their tours of inspection, for examining the accounts and cash chests of their subordinates, and to correct and bring to notice any errors or irregularities which they may discover.

8. Paragraphs 14 to 16 and 20. The Government consider it inexpedient to issue any orders which will render the grant of a monthly clearance to Range Officers contingent on their inspecting every work entered in their Progress Reports (Form C) once every quarter. It is the business of a Range Officer to inspect the works within his charge as often as it may be possible to do so, and the Government will rely upon the Superintending Engineers exercising such control over their Subordinate Officers as will ensure the duties of inspection being efficiently performed. On the completion of a work exceeding Rupees 2,500 in cost, the Range Officer will enter the date on which he last inspected it in the Progress Report in which the final outlay is accounted for, and he will then furnish a certificate similar to that adverted to in paragraph 6 above. In the event of a work commenced in the first half of an official year not being completed by the close of the second, the date of its last inspection by the Range Officer should be entered in the Progress Report for the month of April. All cases in which these orders are not attended to, will be brought before Government in the Controller's Statement of objectionable items.

* In Cash and Stock.

9. Paragraph 17. It will be sufficient if the outlay* on works up to 2,500 Rupees be entered in the "Register of Works" under the heads "Labor" and "Materials." The quantity of work executed may be omitted.

10. Paragraphs 19 and 20. Range Officers will furnish the Superintending Engineers of the Divisions to which they are attached with a complete copy of their Progress Reports. It is necessary that the Superintending Engineers should be kept informed of *all* the transactions of their Subordinate Officers. The Progress Reports to be furnished to the Collector and the Military authorities will be limited to those portions which appertain to works.

11. The Controller will communicate with the Superintending Engineers with the view of ascertaining whether printed blank forms can be obtained from the Collectorate Presses for the use of Range Officers. If it be found that the local Presses cannot supply the forms, the Controller will arrange for their being struck off at the Government Press, and he will take measures for securing complete uniformity in the forms to be used in the several Range Offices. The Controller is

authorized to furnish the Accountant General, Public Works Department, with a copy of every blank printed form which may be adopted in his own or in the local offices.

12. Paragraph 21. Superintending Engineers will make arrangements, at an early date, for transferring to one or more of their Range Officers the "Tools and Plant" at present in charge of their respective Storekeepers.

13. The attention of the Officer in charge of the Store Department will be drawn to the remarks in paragraph 22 of the Controller's letter. Range Officers will observe from Rule IX, Section 2 of the Manual, that the keeping of Stock Accounts is not essential, and that by following the course therein laid down, of purchasing and manufacturing materials, as required for particular works, the monthly returns relating to stock may be dispensed with, and they and their Establishments relieved of the labor and responsibility in connection with these accounts.

14. Paragraph 23. The Government agree with the Controller that the Cash and Stock Journals, Ledgers and Sub-Ledgers, which, under the Bengal Code, are required to be kept in the several Range Offices, are not essential to the system, and may therefore be dispensed with.

15. His Excellency in Council is unable to approve of the proposal contained in paragraph 24 of the Controller's letter. It is altogether anomalous that Accountants, who are entirely under the orders of the Range Officers, should owe allegiance to the Controller, and be responsible to him for the correctness and regularity of their accounts. Such an arrangement would place the Accountants as well as the Range Officers in a false position, and would cause the control of the latter to become a mere nullity. It will however be clearly understood that calls made by the Controller on the Range Officers either for original vouchers, or for explanations in regard to the accounts of expenditure submitted for audit, should be promptly attended to, and that on all occasions in which the Controller or his Deputy, or any duly authorized member of the Controller's Establishment, examines the accounts of a Range, every attention should be paid by the Accountants to the instructions or suggestions which they may receive.

16. In the concluding paragraph of his letter, the Controller applies for a grant of Rupees 25,000 per annum from Local Funds for the increased Establishment represented to be required in his Office. The Government observe that the difference in the strength of the Bengal and Madras Controller's Offices is not much out of proportion to the relative expenditure in the two Presidencies, and that the difference in the scale of pay for the several grades of servants is not confined to the *Public Works Department*. Before going further into the subject, the Government require something more definite than the vague proposal now before them.

17. With these remarks, the Government resolve to circulate the Manual to the Officers and Subordinates of the Public Works Department for information and

guidance, and for immediate adoption. Any further information which may be required by the Local Officers regarding the new system of Accounts will be supplied on application to the Controller.

(True Extract)

Colonel, R. E.,
Secretary to Government.

To the Superintending Engineers,
" Controller of Public Works Accounts,
" Accountant General,
" Officer in charge of the Store Department,
" Special Executive Engineers,
" Public, &c., Departments,
" Revenue Department,
" Military Department,
} With a Book of Forms.

Mem:

No. 1997.

Communicated to the Bd.
of Rev:

The Contractors proposal to improve the position of his Estate in regard to Roads, by a large Grant from Local Funds, appears to be attogether inadmissible - as the Local Funds derive no benefit from & have no. Exd. S. T. Augustin. part of the administn of his

To the Board of Revenue and Com. Cattle Disease Committee
Copy to Supdt. P.W.D.
25th August/65

24.8.65

To
Offg. Secy.
Pro. of Govt. in dispatch
No. 2 4.
Proceedings of the
Madras Govt. in the
P. W. Department.

Dated 9th Augt.
Received 22nd 1866.
No. 2418.

Passing orders
on a Manual of Ac-
counts submitted by the
Controller of P. W. Accounts
for the Deptt. of P. Works
of this Presidency.

Pro. PW Deptt 20 Nov 65
Ltr No 3311

No 1997 25 Augt.

Wth order

Vol 445 & 446