M.R.O. 14—18,000—27-3-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 2739 Press Mis.

250: 251

Dated 10 — 10 — 1866.

Not to be folded or roughly handled

No. 250. Read the following Circular of the Government of India, Public Works Department, (Revenue—Forests,) dated Simla, 10th August 1866, No. 8 :—

New system of Audit and Account for the Forest Department in the Provinces more immediately under the Government of India.

Read again—

Public Works Department Resolution, No. 544 F, dated 18th November 1865, and its accompaniments, on the introduction of a system of Forest Accounts.

Read also—

No. 1,496, dated 29th March 1866.

RESOLUTION by the Government of India, Financial Department.

Read Proceedings in the Public Works Department, No. 544 F, dated 18th November 1865, laying down a revised procedure for the audit and adjustment of the Accounts of the Forest Department in the Bengal Presidency.

Resolution.—The Governor General in Council observes that the fundamental part of the revised procedure is the submission of a cash book, or unclassified account by Forest Officers.

2. This is in accord with the new system of accounts in the Civil Department, in which it has been a principal object to reduce, as far as practicable, the accounts rendered by Treasury and other Disbursing Officers, to mere cash books, supported by subsidiary vouchers and registers, by writing off from their accounts to Personal Accounts on the books of the local Accountants General, all transactions which, in their final adjustment, must involve transfer entries.

3. The proposition for charging certain payments to an account of "Advances recoverable" which is to be kept by Forest Officers, militates against the object for which it is properly desired to require from them a mere cash book with supporting vouchers or registers, and it is desirable, therefore, to restrict the use by Forest Officers of the Account "Advances recoverable" within the narrowest limits.

4. Advances in the Forest Department are of three kinds, vzi.—

1st.—Advances of pay and allowances.

2nd.—Payments to subordinates for carrying on works in forests.

3rd.—Advances to contractors for the same purpose.

5. When an advance of pay and allowances, under rule or competent sanction, is made at the prescribed monthly rate of salary of the payee, it should be issued on a bill for the amount, and be charged off the accounts of the Forest Officer; but this is not to preclude recovery of any part of the advance which may require to be refunded in the event of casualties.

6. Any other advance of a lump sum which may be recoverable from some future pay bill, will be charged off the Forest Officer's accounts to a head of Advances recoverable on the books of the Accountant General, the Forest Officer, however, keeping a record of it in a *plus* and *minus* Memorandum outside of his cash accounts, in which he will report monthly to the Accountant General the progress in the adjustment of all advances of this kind which may be recoverable through his agency.

7. Thus, if the Forest Officer advance Rs. 100 to a subordinate in September, and recover the money in November from a pay bill amounting to Rs. 400, his cash books for September and November will shew payments of Rs. 100 and 300 respectively (the former being supported by a receipt for Rs. 100, and the latter by a bill for Rs. 400), while his *plus* and *minus* Memorandum for November will shew the recovery of Rs. 100.

8. Payments to subordinates for carrying on works will be charged against the work even before its completion, an estimate for the work having been first sanctioned according to the rules in the Public Works Department. In this case, the Forest Officer will keep a record of the payments outside of his cash accounts for his own guidance in charging for the residual amount that may be due on final completion of the work, when the detailed bill will be submitted, and the payments charged off, from time to time, will be exhibited in a Memorandum at the foot of the bill.

9. Payments to contractors for carrying on works will, when they admit of classification, be charged in the same way as that just prescribed for the similar payments to subordinates. The contractors' and disbursers' Ledger, an extract from which is to be furnished, as Form No. 9, will be independent of the cash account.

10. Advances which cannot be classified must remain under Advances recoverable, as laid down in the Resolution of the Public Works Department.

11. With this modification, the rules laid down in the Proceedings of the Public Works Department, are approved.

12. The Governor General in Council is also pleased to pass the following Orders on points which have been left open, or have not been provided for in the Resolution in the Public Works Department.

13. In Provinces where a separate Office of Forest Accounts is kept up in accordance with the 3rd and 4th paragraphs of that Resolution, the receipts and charges of the several Forest Divisions in the Province will be compiled in that office according to Divisions, but will be recorded by the local Accountant General in his monthly accounts in mere Provincial totals, under the heads prescribed for the Forest Budget Estimates.

14. In other Provinces, where the accounts of the several Forest Divisions may be rendered direct to the local Accountant General, he will record in subsidiary books, for the information of the Conservator of Forests, the divisional detail of the receipts and charges of the Forest Department.

15. In their Report, dated 15th April 1865, the Committee on Forest Accounts observed that "the Cash Balance Statement which has been suggested, may be dispensed with, and the details of the balances of cash and on the drawing accounts, may be shewn at the foot of the Cash Book, a copy of which is to be furnished with the vouchers to the office of Audit, supported by certificates obtained from Treasury Officers shewing the balances on the several drawing accounts. On the back of these certificates, the Executive Forest Officer should explain any difference in the balances which may arise from cheques drawn by him not having been presented for payment at the Treasury."

16. The allusions here to "the balances on the several drawing accounts," and to the differences (caused by uncashed cheques) between the Treasury Officer's and the Forest Officer's Statements of these balances, shew that the Committee had in view for the Forest Department a system of credit orders like that in the Public Works Department. Under that system, the amount of a credit order is written off the Civil Department's accounts, and a corresponding sum is set apart from the Treasury Officer's cash balance as an appropriated balance of the Public Works Department, which has a separate Accountant General. But the Forest Department has not a separate Accountant General, and on other grounds, too, it is not expedient to adopt for the Forest Department an arrangement whereby the Treasury Officer would have three cash balances. It will answer every purpose if the letters of credit for the Forest Department be on the footing of those for the Military Department, whereby the sum to be written off the Treasury Officer's accounts will be, not the amount of a credit order, but of the cheques paid against letters of credit. The verification of the amounts drawn by cheque may proceed in a way analogous to that followed between the Civil and Military Departments.

ORDER.—Ordered that a copy of this Resolution be sent to the Public Works Department, with a request that the divisional detail of the receipts and charges of the Forest Department of a Province, and the Statement of the receipts and issues of timber which are to be submitted annually to that Department by the Conservators of Forests, may be communicated to the Financial Department for information.

Proceedings of the Madras Government, Revenue Department,
10th October 1866.

OBSERVATIONS.—The Resolution in the Financial Department should be communicated to the Local Governments and Administrations concerned, for information and guidance. The Committee's Report and Resolution thereon, in this Department, have been separately printed, and will be supplied also.

2. The remarks in paragraphs 3 to 10 of the Financial Resolution refer to paragraph 11 of Public Works Department Resolution, and to paragraph 3 of the Committee's Report of 15th April 1865. The further remarks in paragraphs 13 and 14 are for the guidance of the Office of Accounts, whether Forest or General, and the two last paragraphs have reference to the action of Officers in charge of Treasuries in the matter of credit orders.

3. With regard to the request contained in the Order appended to the Financial Department Resolution, it is remarked that no accounts will be submitted to this Department to be dealt with as such. The manipulation and audit of the Forest Accounts is to be entirely local, and forms Nos. 21 to 28 will be attached to the Progress Reports to be submitted to this Department merely for the purpose of elucidating those documents, and ensuring their being in accordance with the record of expenditure.

4. It is presumed that the annual accounts of the whole Forest Department will be compiled in the Office of the Comptroller General, from the accounts of the Local Accountants General; and it is desirable that so soon as this is done, the figures by divisions for each Province, and an abstract thereof, under the headings adopted in the Budget Estimates of the Forest Department, should be furnished to this Department for the information of Government, and for communication to the Inspector General of Forests, to enable him to compare, for his own purposes, the relation between actual and estimated receipts and charges, and this should be arranged for accordingly.

5. Form No. 22 will be attached to the Budget Estimate. The parts of the Public Works Code affecting estimates, referred to in paragraph 12 of Public Works Resolution No. 544 F, are—

Chapter XII, Section 1, paragraph 4, and
Chapter XVI, paragraphs 47 to 52 and 62.

6. The accounts from 1st May 1866 should be re-cast in the new forms, and brought entirely under the Civil Accounts Department, Controllers of Public Works Accounts ceasing to have any connection with them from that date. The arrear accounts will be disposed of in the Offices by which they have hitherto been dealt with.

ORDER.—Ordered that a copy of these Observations, and of the papers referred to, be forwarded to the Local Governments and Administrations marginally noted, and to the Inspector General of Forests, for information and guidance.

Governments of Bengal. N. W. P., and Punjab.
Chief Commissioners, Oudh, Central Provinces, and British Burmah.
Commissioners of Mysore and Coorg.
Resident at Hyderabad.

Proceedings of the Madras Government, Revenue Department,
10th October 1866.

Ordered also that a copy be forwarded to the Governments of Madras and Bombay, the Governor of the Straits Settlements, the Governor General's Agents, Central India and Rajpootana, and the Accountant General, Public Works Department, for information.

Ordered further that a copy be sent to the Financial Department for information, and the issue of further orders.

(Signed) C. H. DICKENS, Lieut.-Colonel, R. A.,
Secretary to the Govt. of India.

No. 251. ORDER THEREON, 10th October 1866, No. 2,739.

Forests. No. 7.

Ordered to be communicated to the Officiating Conservator of Forests for his *information.*

(True Extract.)

(Signed) J. GROSE,
Under Secretary to Government.

To the Officiating Conservator of Forests

Ed. S. T. Augustin.

No. 2739. 31

Ordered to be communicated to the Offg. Conservator of Forests for his information.

WR

1 Oct.

10th Octr 1866.

4 Copies to the Offg Conservator of Forests Despr 11th

Pol: Jdy/64 Nos. 51-52

Rec. 1866. Returned
Pro. of Govt. No. 3695
from the Under Secty
to the GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

REVENUE—FORESTS.

To

CIRCULAR No. 8 FORESTS.

Dated SIMLA, *August* 10, 1866.

Received

C-3 Land Revenue

New system of Audit and Account for the Forest Department in the Provinces more immediately under the Government of India.

No 2739. 10 Oct

With an Order

No 250/251

C-3 Oct 1866 Rec