Proceedings of the Madras Government, Revenue Department,
19th March 1873.

No. 200. Read the following letter from the Officiating Under-Secretary to the Government of India, Financial Department, to the Chief Secretary to the Government of Madras, dated Fort William, 8th March 1873, No. 1,559:—

WITH reference to paragraph 40 of the Resolution of this department, No. 2,189, dated the 20th April 1865, sanctioning the continuance in the Madras Presidency of the old system of rendering the Treasury Accounts in a classified form, I am directed to forward a copy of a letter from the Comptroller-General, No. 1,265, dated the 17th January last, and to invite the views of the Government of Madras as to the advisability of now adopting the system of unclassified accounts which has been successfully carried out in all the provinces of the Bengal Presidency since 1865.

ENCLOSURE No. 1.

From the Comptroller-General, to the Secretary to the Government of India, Financial Department, dated Calcutta, 17th January 1873, No. 1,265.

I HAVE the honour to submit for the consideration of Government a copy of the last paragraph of Mr. Taylor's Inspection Report on Madras, wherein you will observe that he recommends a re-opening of the question of classified *versus* unclassified accounts in Madras and Bombay.

2. Those Governments, it will be remembered, strongly and successfully opposed the extension to their territories of an account system which had not taken its final shape, nor had been tested by experience. Part of their objections will no doubt be removed by a clear statement of the system, viz., that it provides for accounts completely classified as far as the main heads of Revenue are concerned, but quite unclassified under Charge—completely classified, that is to say, in the sections watched by other departments, though wholly unclassified in sections where the change can add only to the work of the Accountant-General, and must relieve others. And another part will be removed by a reference to seven years' experience of other provinces where a reversal of the present system would be as unwelcome to the Government as to the Account Offices both in districts and at head-quarters.

3. Mr. Taylor is careful to point out that a change would involve extensive modifications in local systems (for in Madras every *taluq* submits to the Collector a balanced monthly account, including all transactions and fully classified), and consequently should not be forced on an unwilling Administration. But I hold with him that these Governments may now fairly be asked to state what *positive* advantages they think derived from their present plan. If the Account Department is willing to accept arrangements which demonstrably will greatly relieve both the District and the Sub-Treasuries, good reasons should be forthcoming to justify the retention of a system which heavily burdens the latter without benefit to the former.

4. I learn from Mr. Taylor that he presses the proposal now, as he thinks the Madras authorities prepared to consider it without prejudice, having (as he understands) discussed it privately, though with unfavourable result. With consent of the Madras Government he would introduce the unclassified accounts from the beginning of the next official year, though in case of Bombay he would delay any change till that office is in a better state. From what he could gather in Bombay he expects to find that Government more strongly opposed to change than the local Account Office; but if the Madras Government is required to debate the question a new, it is hardly reasonable not to make the same call on the Government of Bombay.

5. My own opinion is decidedly favourable to the unclassified account system. It removes excuses for unpunctuality, decreases the number of possible mistakes, and throws obstacles in the way of fraud; and though greatly relieving Treasury officers adds little to the

labour of the Account Office. In the extract of his Madras Report hereto appended, Mr. Taylor tells how eleven out of nineteen objections were of classification only, and in his Bombay Report mentions that it has been found necessary to call for a separate detailed schedule from district offices in support of their credits under one head (XVI., Miscellaneous), and though the arguments in favour of unclassified accounts were weaker, it is assuredly most desirable that no such important variations of system should be allowed in a department of which the officers are liable to frequent change.

Extract paragraph 63 from a Report on the Office of the Accountant-General, Madras, by R. TAYLOR, ESQ., *Inspector of Local Offices of Account, dated 16th November* 1872.

63. *Classified Accounts.*—I cannot close this report without a few remarks on the special account peculiarity of this Presidency, the continued submission of classified Treasury Accounts. I am myself decidedly opposed to this system, not only because any exceptional arrangement has special inconveniences in a department of which the numbers pass from office to office, but also because I hold it less convenient in itself; and without possible defence, if not when Government admitted its willingness to take the risk of the experiment, yet surely when the experience of the larger part of India is decidedly favourable to the change. I even doubt whether there would be a sensible increase to the labour of the Account Office; if, on one hand, it had to compile a Treasury Account from vouchers instead of checking it by them; on the other, it is saved the trouble of correcting errors of classification (and in the result statement I happened to have before me when thinking of the matter eleven out of nineteen corrections were of classification), and occasionally of elaborated instructions which may give rise to further correspondence. But a change can hardly be made by a single act of authority, and should not be enforced against serious opposition of the local authorities whose account system would be revolutionized from its origin. For here classification does not begin in the Treasury, but every Sub-Treasury also sends its monthly classified account which has to be audited and embodied in that of the District Treasury. There are, to my thinking, serious inconveniences in the submission of a monthly instead of a daily account from Sub-Treasuries; Treasury officers complain much of the great pressure necessary for the compilation of their Treasury Account by the due date, and frequent correspondence results from it; but while I would ask the local Government in the light of the favourable experience of other provinces to consider what positive arguments (positive as contrasted with the negative one of unnecessary change) are to be urged against the abolition of classified accounts, I would not insist on a change if resolutely opposed.

No. 201. ORDER THEREON, 19th March 1873, No. 341.

Miscellaneous.

REFERRED to the Board of Revenue for report in communication with the Accountant-General.

(True Extract.)
(Signed) W. HUDLESTON,
Chief Secretary.

To the Board of Revenue.

Exd F. R. Bantleman.

52

No. 1,559.—

To,

The Chief Secretary to the
Government of Madras.—

Fin. Deptt.

Sir,

With reference to para: 40 of the Resolution of this Department, dated the 20th April 1865, sanctioning the continuance in the Madras Residency of the old system of rendering the Treasury Accounts in a classified form, I am directed to forward a copy of a letter from the Comptroller General, No. 1,265, dated the 17th January last, and to invite the views of the Government of Madras as to the advisability of now adopting the system of unclassified accounts which has been successfully carried out in all the Provincies of the Bengal Residency since 1865.—

I have the honor to be,
Sir,
Your most Obedient Servant,

Fort William,
the 8 March 1873.—

P Barlow
Offg. Secy. to the Government of
India.—

Ans 7/5

Revenue 1873 Dept
No 341.

From

The Govt of India
Financial Dept

No 1339.

Dated 6th March 1873
Rec'd 14th -

Encl 1.

Summary of a letter from the Secretary to Govt Financial Dept dated the 28th Feby 1873 - on the system to be adopted in the Madras Presidency - with the opinion of the Accountant General in the Madras Presidency -

Wth Papers
No 341 - 19 March 73

W. 341.

Expd 19th March/73

Report in Comm. 2 to 19th

Acct Gen. 2 Endorsts

19th March/73

H.B.R. of Revr. Dec 2 Endorsts/73

Vide Board's Proc.
14 July/74 No 1806 -
Vide Board's Proc.
3 Aug/75 No 2162.

Govt. of {1873} Madras.

REVENUE.

To

THE BOARD OF REVENUE.

Dated March 19th.

Recd. Encl.

G. O., 19th March 1873, No. 341.

MARCH.

No. 200-201.

Accounts in the Treasuries in Madras Presidency. — Letter from Government of India on the advisability of adopting the system of unclassified accounts, referred to the Board of Revenue for report in communication with the Accountant-General.