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MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.
B.P. No.

1059

Press
Mis.

Dated

²¹
24th August 1874
196.

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
24th August 1874.*

No. 198. Read the following Proceedings of the Board of Revenue, dated 14th July 1874, No. 1,806 :—

Read again the following papers :—

G. O., dated 19th March 1873, No. 341, Revenue Department, recorded in Board's Proceedings, dated 5th April 1873, Miscellaneous No. 2,067.

Letter from the Accountant-General, dated 4th June 1873, No. 1,862, recorded in Board's Proceedings, dated 5th August 1873, No. 1,500.

Official Memorandum from the Acting Under Secretary to Government, dated 17th March 1874, No. 49, Revenue Department.

ABSTRACT.—Calling for reply to Government Order requesting report on advisability of adopting system of unclassified Accounts in Treasuries in Madras Presidency.

Read the following letters :—

From the Collector of Ganjam,	dated	5th February	1874, No.	311.
" " of Kistna District,	"	16th October	1873, "	1,566.
" " of Nellore,	"	3rd September	" "	2,027.
" " of Bellary,	"	3rd December	" "	419.
" " of North Arcot,	"	2nd "	" "	759.
" " of South Arcot,	"	18th November	" "	470.
" " of Tanjore,	"	8th "	" "	439.
" " of Tinnevely,	"	10th October	" "	542.
" " of Coimbatore,	"	6th September	" "	193.
" " of South Canara,	"	12th "	" "	1,545.

THE question discussed in the above papers relates to the introduction of the system of unclassified Accounts into this Presidency in the modified form proposed by the Comptroller-General of Accounts, in his letter to the Government of India, dated 17th January 1873, No. 1,265.

2. The Board have consulted the Accountant-General, and the Collectors of the districts noted above, and so far as the classification of the Accounts of the District Treasuries is concerned, the Accountant-General, and all the Collectors excepting those of Tinnevely and Bellary are unanimous in deprecating the change. The Collector of Bellary thinks that experience should decide the matter, while Mr. Puckle, the Collector of Tinnevely, is decidedly in favor of the system. The Deputy Collectors in charge of Treasuries in these two districts, however, are against the change.

3. The Board have carefully considered all the points urged both for and against the system proposed, and are disposed to agree with the majority of the Collectors, that no change in the existing system of classifying the District Accounts is desirable.

4. The Comptroller-General of Accounts points out the advantages of the new system, and remarks that even if his arguments in its favor were weaker, still its introduction is desirable for the sake of uniformity.

5. The Board will first consider the so-called advantages of the new system, and then show the objections, against its introduction.

6. The advantages pointed out are—

(1.) That the new system secures punctuality in the submission of Accounts.

(2.) It decreases the number of possible mistakes.

(3.) Throws obstacles in the way of fraud.

(4.) And relieves the Treasury Officers without adding much to the labor of the Account Office.

*Proceedings of the Madras Government, Revenue Department,
24th August 1874.*

7. The first named advantage is not real, for, the Accounts are now furnished with punctuality, and there is nothing further to be gained.

8. The second advantage is more than doubtful. It is true that the system of unclassified Accounts will save Objection Statements and a great deal of correspondence, consequent on the discovery in the Accountant-General's Office of mistakes in the returns received from the districts, but it must be at the expense of accuracy. There is as much chance that the Accountants in the Accountant-General's Office will commit errors as that those in the districts will do so, and the change in the system therefore far from reducing the possible number of mistakes, simply reduces the chances that they will be detected.

9. The third advantage is no doubt important, and would be sufficient to induce the Board to waive all other considerations, if the existing state of things called for such a measure. But the Officers in charge of District Treasuries in this Presidency are, as a rule, highly paid, and men of probity. In actual experience there have been no cases of extensive or indeed of any fraud, arising from the existing system of classified accounts. The advantage is therefore rather a possible than a probable or certain advantage.

10. The fourth and the last advantage, is no doubt real so far as the Treasury Officers are concerned, but the Board doubt whether the system could be introduced "without adding much to the labor of the Account Office." The Accountant-General (Mr. Lushington) had a set of Accounts of one district, classified in his Office according to the proposed system, and he found that the classification took him more time than examining the classified Accounts of five districts. Mr. Lushington remarks that the Establishments will have to be considerably strengthened if the measure is to be introduced. Then the question is whether the District Establishments can be reduced to meet the additional cost in the Accountant-General's Office. The Board are certainly of opinion that no material reduction will be possible. For administrative purposes, it is necessary that Collectors should have a classified Account of charges as well as of receipts. The Collector has to furnish the Board with an annual Revenue Budget, an Administration Report, a Settlement Report, and several other periodical reports for which a classified Account of charges as well as of receipts is required. He has also to furnish the Board with a monthly progress Statement of Receipts and Charges contrasted with the Budget to enable the Board to dispose of applications made from time to time for expenditure not provided for in the Budget. In these matters it will often put the Collectors to the greatest inconvenience to wait till the Accountant-General completes the tabulation of the Accounts of the Presidency and furnishes them with copies of his accounts. Classification of expenditure must, therefore, to a certain extent, be kept up in the Collector's Offices, and as their Establishments are already overworked, any material reduction will be hardly possible.

11. The Board believe that they have shown that the advantages of the new system are more nominal than real. They will now enumerate the positive disadvantages of the proposed system.

(1.) The proposed system entails double work—classification in the districts for administrative purposes, and classification in the Accountant-General's Office.

(2.) The system entails heavy and needless extra expenditure to the State.

(3.) It diminishes the chances of the detection of errors in the classification.

(4.) It entails needless correspondence when the figures obtained by classification for administrative purposes, differ as they must often do from those of the Accountant-General.

(5.) And finally, as the Deputy-Collector of Bellary remarks, should any of the vouchers sent to the Accountant-General happen to be lost or mislaid, the task of completion must be at a stand-still until a duplicate is obtained, which considering the distance of some of the Treasuries from Madras, must cause immense delay, unless the amount relating to the missing vouchers is transferred to Suspense Account or some such other head to which it does not properly appertain. The above disadvantages do not exist in the existing system. Moreover the Board have serious doubts as to whether the Accountants at the Presidency will be as competent as District Officials in deciphering the various vernacular vouchers and classifying the entries correctly.

*Proceedings of the Madras Government, Revenue Department,
24th August 1874.*

12. In connection with the subject, the Board have also considered whether the system of unclassified assessments can be completely introduced at least so far as Taluq Treasuries are concerned, the classification for the entire district taking place at the Head-quarters of each district. Half the number of the Collectors* consulted are in favor of this proposal, while

*Kistna, Bellary, Tanjore, Coimbatore and South Canara.

the others are against it. As matters now stand, a great deal of the classification of charges incurred in taluqs takes place in the Collector's Office. Most of the payments are made on cheques issued by the District Treasury Officer, and the classification of those charges is made in the Huzur Accounts prior to the issue of the cheques, the amount being credited in the Huzur Accounts and debited in the Taluq Accounts to "Cash remittances." The only items classified in the taluqs are receipts and contingent and sadeward expenses, and pensions which are paid by Tahsildars subject to audit and which are trifling matters. The objection to introducing the system of unclassified accounts even in the taluqs is that it involves double work, as Tahsildars must know the Demand, Collection and Balance under each head of Revenue. Perhaps it may be possible for the Collector to furnish Tahsildars in time with a Statement of their classified Accounts, and the Board would like to have the experiment tried. The Collector of Tanjore considers that the system can be introduced as regards taluqs with advantage and without additional expenditure to the State, and the Board purpose, with the permission of Government, to authorize him to try, subject to report at the end of twelve months.

No. 199. ORDER THEREON, 24th August 1874, No. 1,059.

Miscellaneous.

THE Government concur in the views expressed by the Board of Revenue and authorize, as an experimental measure,

subject to report at the end of twelve months, the introduction of unclassified Accounts in the Taluq Treasuries of the Tanjore District.

2. Ordered that the following letter be sent to the Government of India:—

(Here enter No. 1,060, dated 21st August 1874.)

(True Extract.)

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

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

Exd. G. A. Turton.

No. 1,806.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 14th July 1874.

Read again the following papers:—

G. O., dated 19th March 1873, No. 341, Revenue Department, recorded in Board's Proceedings, dated 5th April 1873, Miscellaneous No. 2,067.
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Official Memorandum from the Acting Under Secretary to Government, dated 17th March 1874, No. 49, Revenue Department.

ABSTRACT:—Calling for reply to Government Order requesting report on advisability of adopting system of unclassified Accounts in Treasuries in Madras Presidency.

Read also the following letters:—

From the Collector of Ganjam,	dated 5th February 1874, No. 311.
" of Kistna District,	" 16th October 1873, " 1,566.
" of Nellore,	" 3rd September " " 2,027.
" of Bellary,	" 3rd December " " 419.
" of North Arcot,	" 2nd " " " 759.
" of South Arcot,	" 18th November " " 470.
" of Tanjore,	" 8th " " " 439.
" of Tinnevely,	" 10th October " " 512.
" of Coimbatore,	" 6th September " " 193.
" of South Canara,	" 12th " " " 1,545.

The question discussed in the above papers relates to the introduction of the system of unclassified Accounts into this Presidency in the modified form proposed by the Comptroller-General of Accounts, in his letter to the Government of India, dated 17th January 1873, No. 1,265.

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3. The Board have carefully considered all the points urged both for and against the system proposed, and are disposed to agree with the majority of the Collectors, that no change in the existing system of classifying the District Accounts is desirable.

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5. The Board will first consider the so-called advantages of the new system, and then show the objections, against its introduction.

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- (1.) That the new system secures punctuality in the submission of Accounts.
- (2.) It decreases the number of possible mistakes.
- (3.) Throws obstacles in the way of fraud.
- (4.) And relieves the Treasury Officers without adding much to the labor of the Account Office.

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Bot. of 1874 MADRAS.

REVENUE.

THE BOARD OF REVENUE.

Secy. Secy. Secy.

Dated August 24th.

Recd.

Recd.

G. O., 24th August 1874, No. 1,039.

AUGUST.

Nov. 198-199

Unclassified Accounts.—Concerning in the views expressed by Revenue Board regarding the introduction of — into this Presidency, and authorizing, as an experimental measure, subject to report at the end of twelve months, the introduction of the system into the Teling Treasuries of the Tanjore District.

7/24/1874
12/1/1874

8. The second advantage is more than doubtful. It is true, that the system of unclassified Accounts will save objection Statements and a great deal of correspondence, consequent on the discovery in the Accountant-General's Office of mistakes in the returns received from the districts, but it must be at the expense of accuracy. There is as much chance that the Accountants in the Accountant-General's Office will commit errors as that those in the districts will do so, and the change in the system therefore far from reducing the possible number of mistakes, simply reduces the chances that they will be detected.

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(A true Extract.)

J. G. Gole

Secretary.

To the Acting Secretary to Government, Revenue Department,
with a file of Collectors' letters.

Copy to the Accountant-General.
" to all Collectors.

Exd. G. A. Turtene

1020 March 7th 20. 265 - 67
 - 9 June 172. 28 - 77.
 - 19 March 173. 600 - 207.
 - 18 August 173. 124 Ave

18/2/6/743

C. J. & Co. 1/4 R 197

Revenue 1874. Deforced.
Board of Revenue.

MADRAS.

PROCEEDINGS, 14TH JULY 1874, No. 1, 806.

200/19319 sub 174

Kno1.

Wm. Lloyd Garrison

Received August 1

JULY.
No. 1,806.

Unclassified accounts.—Reports from Collectors on proposed introduction of system of—into Madras Presidency, submitted to Government, and proposal objected to. Authority of Government requested for experimental adoption in Kistna District, of system of unclassified assessments so far as Tangi Treasuries are concerned.

What can order

Received
2/18/74

No 1087-21 Aug 74

supported by the 23rd of Nov and another

as an experimental measure subject to

Report at the end of Twelve months,

the introduction of melody will associate

in the ordinary experience of the human mind.

Ordered that the following

Walter has sent to the Govt of India

To B. F. Brewster }
and G. C. Clark } \$100
March 2nd 1879

J. H. C.