M.R.O. 1—20,002—12-8-65.

(1) Number of Pages 18.

(2) Date of repair 20-2-67.

(3) Initials of the Referencer 198

MADRAS RECORD OFFICE

GOVERNMENT OF MADRAS

Revenue DEPARTMENT

G.O. No.	1340.	Press
B.P. No.		Mis.
Dated	17-10-1874	196. .

Not to be folded or roughly handled

1340

Proceedings of the Madras Government, Revenue Department,
17th October 1874.

No. 240. Read the following Memorandum on the subject of Control and Audit of Forest Accounts by the Officiating Inspector of Forests to the Government of Madras, dated 17th September 1874 :—

THE subject has come under consideration on account of a Resolution of the Government of India (recorded in Madras G. O., Revenue Department, No. 610, dated 19th May last), directing that "the forest accounts of Madras for the last quarter, for which they have been furnished by the Conservators, be re-audited by the Accountants-General, and the result of such re-audit reported for the information of the Government of India." In this Presidency the Board of Revenue has been placed in the position of the Conservator "in these respects," *i.e.*, the control of the money-expenditure of the department (*vide* G. O., No. 1,290, dated 6th September 1872, paragraph 3); and all that would appear necessary to comply with the Government of India Resolution is that it, *in its position of Conservator*, should submit to the Accountant-General the forest accounts for the last quarter for re-audit, etc.; I cannot, therefore, see why the question of any transfer of control and audit, still less of office establishments, should have resulted from the order under consideration. I have, for some time, been giving the subject of the control of forest expenditure careful consideration, and acting on the advice of the Acting Secretary to Government in the Revenue Department purpose shortly to submit proposals for securing a more effectual check and regulation of departmental expenditure which I consider is much needed; and I am, therefore, anxious that no step should be taken by Government, pledging them (so to speak) to any particular line with regard to the control of forest expendi[illegible] the future, until I have had an opportunity of confer[illegible]g with the Board and submitting my views through them.

2. The Resolution of the Government of India with regard to the Draft Forest Manual now before the Board and myself (*vide* G. O., No. 1,035, dated 18th August 1874) expresses exactly what I should like to secure with regard to forest expenditure in this Presidency, viz., that "the Conservator (Inspector) should have full control over the outlay for conservancy and working, but the formal audit be entrusted to an independent authority relieving Conservators of the control of establishment charges and the *adjustment* of accounts." At present salary and contingent bills go direct from the Collector's Account Offices to the Accountant-General, where they are checked and audited; but bills for working charges go to the Board, who check the items *qua* Conservator. I have no doubt that their audit though slow is most efficient as regards the details of account, requisite sanctions, vouchers, etc.; but it is impossible that they can check or control the outlay on working charges, such as felling, carting, planting, etc., etc., which must require professional knowledge and an intimate acquaintance with the details of working, etc., as carried out in each forest. Collectors as Conservators of their districts are also supposed to check forest expenditure; but I do not see how they can be supposed to know much about it, and certainly have no means of comparing the expenditure as placed before them by their Forest Assistant with what it should be and may be in the adjoining district. As an instance of what I mean I may state that since assuming charge of the Inspector's Office, I have ascertained, though under existing arrangements I suppose it was not strictly my duty to do so, that planting Casuarinas in North Arcot cost Rs. 40 and in South Arcot Rs. 200 per acre. There is evidently something wrong, and probably some mistake in account; but I do not see how it would

ever have been brought to light if I had limited myself strictly to inspection and reporting on results as Colonel Beddome was ordered to do. Again in Madura there is a dead-lock as regards forest operations, the Deputy Conservator having, during the past eighteen months, steadily exceeded his budget-estimates, and spent the whole budget allotments and a good deal more under one head "Felling and Carting of Timber," leaving nothing available for reserves, planting, etc. This could not have been done had the accounts been scrutinised even occasionally by a professional eye, and still less if, instead of the system of "Permanent Advance" in favor with the Board, the forest officer had been working on quarterly allotments granted on estimates previously submitted of his probable expenditure under each head of working. These are all matters of detail which I merely state in order to show that the whole system of forest accounts requires revision to render the control and audit really efficient.

3. The Accountant-General proposes* that the whole control and office establishment for accounts should be transferred to him. The Board consider† it should be left with them as "the office having the control of the administration of the department." I consider that the control should rest with the Inspector or Conservator-General of Forests (aided by an Assistant who should eventually be one of the junior forest officers, and have charge of the Inspector's Office generally) either as a distinct office or as representing the Revenue Board; whilst the final audit would probably be best entrusted to the trained office[illegible] General's Department who would check totals under each head, and see that the accounts were properly kept and adjusted. I would respectfully suggest that meanwhile the orders of the Government of India be complied with, *i.e.*, that the forest accounts for the past quarter be submitted to the Accountant-General for re-audit by the Board of Revenue in their position as Conservator, and that the Accountant-General, the Secretary or a Member of the Board, and myself be directed to confer on the subject and submit joint proposals for the future management of the forest accounts in this Presidency. I do not see anything in the Resolution of the Government of India which renders any other action or expression of opinion necessary. It is the Accountant-General alone who has opened the subject.

* G. O., 23rd July 1874, No. 917.

† Board's Proes., 21st Aug. 1874, No. 2,338.

(Signed) C. WALKER, Captain,
Officiating Inspector of Forests.

No. 241. ORDER THEREON, 17th October 1874, No. 1,340.

Forest, No. 10.

THIS memorandum from the Inspector of Forests, which was submitted before G. O., dated 25th September 1874, No. 1,215, was passed, will be forwarded to the Board of Revenue for consideration in consultation with the Inspector.

2. There did not appear sufficient reason for postponing reply to the Government of India on the question which had been put by them, relating as it did to the final audit which should in any case remain with the Board of Revenue.

3. The Inspector's memorandum relates practically to the supervision of expenditure in the districts before it comes up for audit, and in matter of departmental

Proceedings of the Madras Government, Revenue Department,
17th *October* 1874.

administration and detail the Inspector should have a recognised position under the Board, under which all account of expenditure incurred of a character which may be termed working expenses and all proposals to incur expenditure under this head should pass through his hands, between the Collectors or special officers and the Board.

4. It is necessary to give the Inspector as little to do in this respect as is consistent with his proper supervision of actual working, and it will be easy to classify the kind of business which would pass through his hands in such a way that all routine and fixed charges would go direct to the Audit Office, while all accounts, which involve fluctuating rates and the like, pass through the Inspector's hand for check and remark.

(True Extract.)

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

To the Board of Revenue.
„ the Inspector of Forests.

Exd. F. R. Bantleman.

3/1340

1 There is not in this memo that
to speak to delay appl & the Bd-
should in the interim as taken
under by Board act- that an
duster - the final audit- stated
2 with the Board of Revenue - stated as
Chief Conservator & position
that is not quite intelligible or left
in my estimation for as head of the
Dev. Admn: that Forestry is a
part - because the Board can
not enquire the Audit - & left as
long with the direction about correspon
dence acc. the land after audit
of the acct is unsatisfactory on
part acct - In this sense is the
Def- that I can not initialled

3 The Inspector Memo relates
practically to the enforcement of
expenditure in the Budget before
it comes up for audit - audit is

GENERAL REGISTRY OFFICE.
RECEIVED
6
THE BOARD OF REVENUE,
Bank Cash 17th
Bond
G. O. 17th October 1874, No. 1340
ORDER.
Nos. 2102-21.
Abstract Orders of Board of Revenue—2 Forests
ings with observations for the Governor in Council
recommendation of the Inspector of Forests regard
ing the—For consideration in connection with
the above.

Boston to Superintendent of Mercantile
& detail the Projects & Plans & a re-
commended position under the Board and
that all acct of expenditure is carried
of a character that may be termed
working expenses — and all proposals
& mere expenditure under this head,
& Pass thro' his hands. Before the
Collection of Revenue & the Board

It is necessary & give the de-
tector as little & do in this respect
as is consistent with his proper du-
tion of actual service — and it
will be easy & classify the kind of
business that Pass thro' his
hands & such a way that all contin-
gent charges shall appear distinct & the Audit
Office — that all accts shall be rendered
finally quarterly & the last Pass thro' the
Inspectors hands for check & remark

5 Sd directed the Board to arrange their
communication with the Inspectors &
Subord-proposals

6 Sam moved in favor of making
those Orders & practical use of the
Inspectors Plan to be now done — The
Board of Revenue is in no way a mere
administrative or Executive Head of a
Dept — and a Bodies department — but
must continue from week & keep
& Comptroller — Our Collectors are
our first Executive Revenue Officers
must be continued & trained for
Subordinate Plan is a certain Index
& the Inspector as Executive Head
of the Dept under the Board

24/9 Dd.

4/1840

items (so to speak) & any particular line with regard to the control of forest expenditure for the future - until I have had an opportunity of conferring with the Board & submitting my views thro' them -

The resolution of the Govt of India with regard to the draft forest manual now before the Board & myself, Order P.O. No. 1035 dated 18th August 1874 expresses exactly what I should like to secure with regard to forest expenditure in this Presidency & that "the Conservator (Inspector) should have full control over the outlay for conservancy & working, but the formal audit be entrusted to an independent authority relieving Conservators of the control of establishment charges & the adjustment of accounts." At present Salary & Contingent bills go direct from the Collectors acct Offices to the acct General where they are checked & audited - but bills for working charges go to the Board who check the items as a Conservator. There is no doubt that this audit tho' close is most efficient as regards the details of account, & of the sanctions, vouchers &c but it is impossible that they can direct & control the outlay on working charges such as felling, carting, planting &c &c which must require professional knowledge and an intimate acquaintance with the details of working &c as carried out in each Forest - Collectors as Conservators of Districts are also supposed to check Forest expenditure but I do not see how they can be supposed to know much about it & certainly have no means of comparing the expenditure as placed before them by their Forest assistants with what it should be, & may be in the adjoining Forest - As an instance of what I mean I may state that since assuming charge of the Southern Circle I have ascertained independently that the arrangements for supervision & measurement of work in Forest operations in Nasik are very defective & that a Contractor in Nasik cut 40 - to the Acre at Rs 2-00 per acre - there is evidently something wrong & probably some mistake in account but I do not see how it would ever have been detected if I had limited myself to check & inspection & reporting on results as the Collector was ordered to do. Again in Forest Plantations, the Conservator having charge of part of the Eastern Districts, steadily exceeded his Budget estimates & spent the whole budget allotment & a good deal more under one head "felling & carting of timber" leaving nothing available for clearing & planting &c - This could not have been done had the accounts been scrutinized even occasionally by a professional eye & check of instead of the system of "permanent advance" in force with the Board the Forest Officer had been sent up in Detail allotments granted on estimates framed on definite principles of the probable expenditure under each head of working - These are all matters of detail which I need not state in order to show that the whole

1/1340

Expedition of Audit accounts requires revision to render the control + audit really efficient.
The accountant General proposed that the whole control and the establishment for accounts &c be transferred to them. The Board considered should be left with them as "the Office having the control of the administration of the Dept" I consider that the Control &c exercised with the Inspector in Conservator General of Forests (aided by an assistant who should eventually be one of the junior Inspectors + have charge of the Inspection Office generally) either as a detached Office or as representing the Revenue Board, whilst the final audit would probably be best entrusted to the Financial Officers of the Acc- General's Dept who would check + tails under each head and see that the accts were properly kept + adjusted —
I would respectfully suggest that meanwhile the orders of the Govt of India be complied with - i.e that the Forest accts for the past twelve be submitted to the Acc- Genl for re-audit & the Board of Revenue in their position as Conservator and that the Acc- General, the Acc- as a member of the Board, & myself be directed to confer on the subject & submit joint proposals for the future management of the Forest accounts in this Presidency - I do not see anything in the Resolution of the Govt of India which hinders any other action or expression of opinion necessary - Shd the Acc- General alone who has opened the subject — Complaints from the Conservators

Revenue Department.

No. 1340.

Proceedings of the Madras Government

Under date the 17th October 1874

Read the following

From

The Offg. Inspr. of Forests

Memorandum on the subject of the audit and control of Forest Accounts } dated 1st Septr. 1874.

This Memorandum from the Inspector of Forests which was submitted before G.O. dated 25th Septr. 1874 No. 1315 was proposed, will be forwarded to the Board of Revenue for consideration in consultation with the Inspector.

2. There did not appear sufficient reason for postponing replying to the Govt. of India on the question which had been put by them, relating as it did to the final audit which

No. 3200.

Revenue Dept. 8th Oct. 1874.

From

The Offg. Inspr. of Forests.

dated 1st Septr. 1874

Subject

Memorandum on the subject of the audit and control of Forest Accounts

Read

Ordered

Revenue Dept. 12th Oct. 1874

should in any case remain with the Board of Revenue.

3. The Inspector's Menu: relates practically to the supervision of expenditure in the Districts before it comes up for Audit - and in matter of departmental administration and detail the Inspector should have a recognized position under the Board - under which all accounts of expenditure incurred of a character which may be termed working expenses and all proposals to incur expenditure under this head, should pass through his hands - between the Collectors or special Officers and the Board

4. It is necessary to give the Inspector as little to do in this respect as is consistent with his

proper supervision of actual working - and it will be easy to classify the kind of business which would pass through his hands in such a way that all routine and fixed charges would go direct to the Audit Office - while all accounts which involve fluctuating rates and the like pass through the Inspector's hand for check and

Remark.

1st To the Board of Revenue Nos 5 Nos
3. The Inspector of Forests 5

8/13