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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

REVENUE DEPARTMENT

G.O. No.	974	Press.
B.P. No.		Mis.
Dated	27-6-1878	1972

Not to be folded or roughly handled

Archives 1-5,806-24-2-78.

974

GOVERNMENT OF MADRAS.
REVENUE DEPARTMENT.

27th June 1878, No. 974.

Read the following papers:—

No. 322. From E. J. SINKINSON, Esq., Officiating Under Secretary to the Government of India, Financial Department, to the Chief Secretary to Government of Madras, dated Simla, 14th May 1878, No. 435.

In forwarding to you the accompanying copy of a letter from the Comptroller-General, No. 2,319, dated the 8th March 1878, regarding the adjustment in the public accounts of the Madras Presidency of the price of salt sold on credit, I am directed to request that, for the reasons mentioned in the Comptroller-General's letter, you will move His Excellency the Governor in Council to modify, if he has no objection, the orders of the Board of Revenue which are in conflict with the principles on which the public accounts are recorded.

ENCLOSURE No. 1. ✓

From W. WATERFIELD, Esq., Officiating Comptroller-General, to Secretary to the Government of India, Financial Department, dated Calcutta, 8th March 1878, No. 2,319.

I HAVE the honor to forward, for the consideration and orders of Government, copy of a report* with enclosure from the Accountant-General, Madras, on the mode of adjustment prevailing in that Presidency of value of salt

* No. 11,598, dated 18th February last.

sold on credit to contractors who deposit Government Promissory Notes as security for ultimate payment.

2. The Madras Accountant-General credits, in anticipation of realization, the value of salt sold in this way under the authority of Board's Circular No. XLII to "VII, Salt" by debit to "Advances recoverable," and clears the latter head as payments are actually made. The heavy outstanding balance on this account under "Advances recoverable" at the close of each official year represents chiefly the amount of revenue unrealized but nevertheless shown as collected within the year.

3. This course of adjustment is no doubt opposed to the present principles of accounting which do not recognize the adjustment of any demand before it is realized. The cost price of excise opium in Bengal, which used to be credited to the head VIII, Opium immediately on supply to District Collectors, is now under the orders of Government, No. 2,177, dated 25th July 1871, adjusted only after actual sale and realization from vendors of the value of stock sold.

4. As the adjustments in the Madras accounts in respect of the value of salt sold on credit are made in conformity with the orders of the local Board of Revenue, I solicit that the Madras Government may be requested to take steps for the modification of the order in question.

REFERRED to the Board of Revenue for remarks.

OOTACAMUND,
3rd June 1878.

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

No. 323. Proceedings of the Board of Revenue, dated 17th June 1878, No. 1,656.

Read Proceedings of the Madras Government, Revenue Department, dated 3rd June 1878.

ABSTRACT.—Referring to the Board for remarks letter from the Government of India forwarding copy of one from the Comptroller-General regarding the adjustment of Salt Accounts, and requesting to modify the orders of the Board which are in conflict with the principles on which the public accounts are recorded.

No. 324.

ORDER THEREON, 27th June 1878, No. 974.

Separate Revenue, No. 34.

Salt.

THESE Proceedings will be commu-
nicated to the Government of India with
reference to their letter, dated 14th May
1878, No. 435, Financial.

(True Extract.)

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

To the Board of Revenue.

Exd. W. J. Lewis.

Salt Accounts—Ordering to forward to the Government of India Proceedings of the Board of Revenue stating that they see no objection to the course suggested by the Comptroller-General regarding the adjustment of—

Nos. 822—824.

JUNE.

G.O. 271A June 1878, No. 974.

Dated June 27th.

Recd.

THE BOARD OF REVENUE.

REVENUE.

Govt. of (1878) Madras.

No. 1,026.

PROCEEDINGS OF THE BOARD OF REVENUE, dated 13th April 1878.

Read the following letter from L. C. PROBYN, Esq., Accountant-General to the Government of Madras, to C. A. GALTON, Esq., Acting Secretary to the Board of Revenue, dated Fort St. George, 4th April 1878, No. 14,269:—

I HAVE the honor to forward, for the information of the Board of Revenue, copy of my letter to the Collectors of Chingleput and Kistna, (in consequence of explanation by Government of India published at page 29 of the *Gazette of India Extraordinary*, dated 18th instant), which has been sent direct instead of through the Board as it was important to avoid delay. I presume the Board will modify, in accordance with the explanation referred to, their Standing Circular of 31st May 1864, No. XLII, and that the attention of the Salt Commissioner and Collectors of the other Salt Districts will be invited to the change at the earliest possible date.

ENCLOSURE No. 1.

From L. C. PROBYN, Esq., Accountant-General to the Government of Madras, to the Collectors of Chingleput and Kistna, dated Fort St. George, 4th April 1878, Nos. 14,267 and 14,268.

THE Government of India having determined that only money actually received should be credited as "Salt revenue," commencing with the accounts for 1877-78, I have the honor to request, if the Treasury account for March has been closed, that you will be good enough to send a Memorandum of Sums outstanding on 31st March 1878, under "Advances recoverable," on account of value of salt sold in accordance with the Board's Standing Circular, No. XLII, dated 31st May 1864, to enable this office to make the necessary adjustments in that account by crediting "Advances recoverable" and debiting "Salt revenue." If the March account has not been sent I request that you will make the entries in it before sending it to this office.

(True Copy.)

(Signed) W. DONALD,
Offg. Deputy Accountant-General.

Communicated to the Salt Commissioner and Collectors of Maritime Districts.

2. In future Collectors should see that the value of salt sold on credit is not carried to account till the money is actually realized. A separate account should be kept of the quantity sold on credit, and the sums actually realized only should be credited in the Treasury accounts. The Salt Commissioner will consider what modification of the form of Salt Account Current is required; pending further orders it should be prepared as usual, but should include the quantity and value of salt sold on credit as well as for cash. A separate statement showing particulars of salt sold on credit and the amount realized on account of such sales in previous months as well as the amount due being, however, sent with the Account Current in the accompanying form.

3. The sum remaining due up to the end of March on account of salt sold on credit, and the quantity in respect of which it is due should be reported at once.

4. In telegraphing the sales with reference to the Board's Proceedings, dated 17th December 1872, No. 2,399, the following particulars should be given:—

Quantity sold for Home and Inland consumption for cash and duty thereon.

Do. do. do. do. on credit and duty thereon.

Duty realized on account of salt sold on credit in previous years or months, and the quantity covered thereby.

5. The Collectors of South Canara and Malabar will also send the statement prescribed in paragraph 2 *supra* with their monthly statement, of course omitting the cost price with which the Government are not concerned under the Excise system.

6. Blank statements should be forwarded when there are no transactions in the month.

(True Copies and Extract.)

(Signed) C. A. GALTON,
Acting Secretary.

(True Copy.)

(Signed) M. JORDAN,
First Assistant.

To the Commissioner of Salt Revenue, with a Form.
" all Collectors of Maritime Districts, with do.
Copy to the Accountant-General.

Exd. J. Tulloch.

1878.
BOARD of SECRETARIES,
MADRAS.

PROCEEDINGS, 13TH APRIL 1878, No. 1,028.

Received

*Recd 26/2/78
409/2/78
1/322*

APRIL.
No. 1,028.

Sell sold on Credit—Communicating to Salt
Commissioner and Collectors of Maritime Dis-
tricts, with instructions, letter from Accountant-
General on the subject of carrying to account
the value of —.

Book Dept.

№ 11898.

⁹⁷⁴
For Lieut George
Alec G. office
18 February 1870.

From the Accountant General

1) I have the honor to forward a
Copy of Standing Circular ~~XLII~~ of the Indian
Board of Revenue N. 3294 of 31 May 1864
under which the value of salt sold on credit
to contractors who deposit Government
Promissory Notes as security for their ultimate
payments, is credited to "Salt Revenue" by a
transfer from account to "Advances Recoverable" and
he reports that the system is still in force.

2. The practical result of this procedure is that revenue is shown as collected and is credited in the accounts in anticipation of its actual realization and I find that a sum of Rs. 1869.992-15-10 was outstanding under the head "Advances Recoverable" on the 31 March 1977 which had been exhibited on the receipt side of the Revenue Accounts as Salt Revenue collected and realized although it represented debts due to Government covered by security and there will be in all probability similar outstanding at the close of the current official year.

The

3. The practice appears to be a relic
of the past system of account existing before
1865. & to be opposed to the present principles
upon which the public accounts should be kept
as laid down in the order in the Financial
Department No 4570 of 25 October 1877 and
para 8 (a) of your Circular 209 of 5 July 1876
in the latter of which it is enjoined that the
budget Estimate which the accounts should
follow should be framed to show what is
expected to be actually received and not what
will be demanded.

4. I request that you will favor me
with your instructions as to whether the system
should or should not be continued. If it is
changed, there will be in the year in which it is
corrected a reduction of nominal revenue under
Salt to the extent of the amount outstanding
under advances Recoverable.

Yours faithfully
Wm. H. Dobbs
Asst. General

(True Copy)

Asst. Account General.

No 2599. 27.31-6.78

Forwarded to the Registrar Genl. Depart.
Government Office with reference to his memo
No 26 dated 28 May 1878.

William H. Dobbs.

Asst. Asst. General.

Compd 28

Comptroller General's Office,
Calcutta, the 8th March 1878.

50

From,
The Comptroller General
To,
The Secretary to the Government of India,
Financial Department

Sir,
I have the honor to forward for the consideration and orders of Government copy of a report with enclosure from the Accountant General, Madras, on the mode of adjustment prevailing in that Presidency of balance of salt sold on credit to contractors who deposit Government Promissory Notes as security for ultimate payment. —
2. The Madras Accountant General credits, in anticipation of realization, the balance of salt sold in this way, under the authority of Board's Circular N^o XL II, to "Salt" by debit to "Advances Recoverable," and clears the latter head as payments are actually made. The heavy outstanding balance on this account under "Advances Recoverable" at the close of each official year represents chiefly the amount of revenue unrealized but nevertheless shown as collected within the year. —
3. This course of adjustment is no doubt opposed to

* N^o 11898 dated 18th February last

062198
Report from the Accountant General to the Comptroller General, Calcutta 18.2.78
N. 11898.

to the present principles of accounting which do not recognize the adjustment of any demand before it is realized. The cost price of Opium in Bengal, which used to be credited to the head VIII. Opium immediately on supply to District Collectors, is now under the orders of Government No 2177 dated 25th July 1871, adjusted only after actual sale and realization from vendors of the value of stock sold. —

As the adjustments in the Madras accounts in respect of the value of salt sold on credit are made in conformity with the orders of the Local Board of Revenue, I solicit that the Madras Government may be requested to take steps for the modification of the order in question. —

I have the honor to be,

Sir,
Your most obedient servant
(Signed) W. Waterfield
Officiating Comptroller General

(True Copy)

W. Waterfield

Registrar General

No 2198/78

No 435
974
9
The Chief Secretary to Government, Madras

Financial Dept. Sir,

In forwarding to you the accompanying copy of a letter from the Comptroller General No 2319 dated the 8th March 1878 regarding the adjustment in the Public Accounts of the Madras Presidency of the price of salt sold on credit, I am directed to request that, for the reasons mentioned in the Comptroller General's letter, you will move His Excellency the Governor in Council to modify, if he has no objection, the adjustment of the price of salt sold on credit with the principles on which the Public Accounts are recorded. —

I have the honor to be,

Sir,
Your most obedient servant

G. S. Sankar

Offg Under Secretary to the Government of India

Sir,
The 14th May 1878

Copy forwarded to the Comptroller General. —

G.O. 28 Aug 71 N 122111
28 Nov 1878
25 Aug 75 1786 M

Revenue 1878 Dept

N^o 2198

From
The Government of India
Fini. Dept: - N^o 435.

Referred to the
Board of Revenue
for remarks.

Officer

Dated 14th May 1878

Notacumud
3rd June 1878

Encls. 1.

Qd. 974 27 June 1878

Forwarding copy of a
letter from the Comptroller General
regarding the adjustment of salt accounts
and requesting, for reasons therein con-
tained, to modify the orders of the Board
of Revenue which are in conflict with
the principles on which the Public Ac-
counts are recorded.

Received 5
Entered & Returned 8 } June 1878

W. L. L.
Asst. Secretary

10/6

N^o 322

Referred

N^o 1356

Revenue Dept

Proceedings of the Board of Revenue
dated 17 June 1878

Read Proceedings of the
address Government Revenue
Department, dated 3rd June 1878
referring to the Board for remission
letter from the Government of India
forwarding copy of one from the
Comptroller General regarding the
adjustment of salt accounts
and requesting to modify
the orders of the Board which are
in conflict with the principles
on which the Public accounts
are recorded.

There is no objection
to the course suggested by the
Comptroller General and the Board
have already in their Proceedings
dated 13 April 1878 at 10 26, issued
the necessary instructions at the
request of the Comptroller General.
/ True Extract

W. L. L.
Asst. Secretary

W. L. L.
Asst. Secretary
To Secretary to Government
with copy of Board's Proceedings dated
13 April 1878 at 10 26.

Revenue 1875 Sept
 No 2625
 Proceeds of the
 Board of Education

Chas. W. Murray
 Recd. 19-
 E. 11

Ch 974 29 June 1875

Noting that the
 Board in no objection to
 the same supplied by
 the printer found in the
 abstract of the
 accounts. per

Wm. S. S. S.

323-

These proceedings will be

communicated to the Board of Education
 with reference to their letter

d/14 May 1878 no 435. Finance

Wm. S. S. S.

Ch 974 29 June 1875

Ch 974 29 June 1875

Revenue 1875 Sept
 No 2625
 Proceeds of the
 Board of Education

Chas. W. Murray
 Recd. 19-
 E. 11

Ch 974 29 June 1875

Ch 974 29 June 1875