

(Bundles)

Government of
Bihar and Orissa.

{ 1912 }

Financial
Department.

Miscellaneous.

Est.
File No. — F. of 1912.
89

NOVEMBER.

Nos. 1—3.

Local Audit Establishment of the office of the Accountant-General,
Bihar and Orissa.

बिहार सरकार
मंत्रिमंडल सचिवालय विभाग
(बिहार राज्य अभिलेखागार निदेशालय)
LIST OF PAPERS.

Nos.

PAGES.

1. From the Accountant-General, Bihar and Orissa, No. $\frac{L. A.}{233}$,
dated the 27th September 1912, submitting pro-
posals for the Local Audit establishment of the
province of Bihar and Orissa.

A.—Enclosure to No. 1.—Proposition statement.

2. To the Accountant-General, Bihar and Orissa, No. 5757F.,
dated the 15th November 1912, sanctioning the
establishment.
3. To the Revenue Department of this Government Memo.
No. 5758F., dated the 15th November 1912, for-
warding extract, paragraph 4 of the above, with
a copy of para. 3 of the Accountant-General's
letter (No. 1).

NOTES.

FINANCIAL DEPARTMENT.

Est.
File No. — of 1912.
89

MISCELLANEOUS—A, NOVEMBER. 1912.

Nos. 1—3.

Local Audit Establishment of the office of the Accountant-General, Bihar and Orissa.

[No. 1.]—From the Accountant-General, Bihar and Orissa, No. ^{L. A}233, dated the 27th September 1912.

The principle adopted in Bengal in revising the Local Audit Establishment of the Accountant-General, Bengal's office has been followed by the Accountant-General, Bihar and Orissa, in formulating his present proposals. This may be accepted.

2. As to the realization of the charges of audit of Butwara accounts of estates under partition, the Revenue Department may be consulted.

3. As to the leave reserve, it may safely be said that 13 per cent. is too high. To meet leave vacancies, the M. O. S. Committee provided, at the suggestion of the Government of India, 10 per cent. probationers and this for such unhealthy places as Purnea, Jessore and Khulna. It is doubtful whether the leave reserve of the Accountant-General, Bengal's Office is as high. The reserve may be allowed at not more than 10 per cent.

4. The Accountant-General prefers fixed to progressive pay which is given in Bengal. But there are various reasons for giving progressive pay to members of a small establishment. As Accountant-General prefers fixed pay, Government may approve.

5. The number of funds to be audited being less than in Bengal, the required staff must proportionately be less.

6. The proposed pay may be approved in all cases except as regards clerks and the typist. The pay of the clerks may be fixed at Rs. 35 and Rs. 45 as in the Secretariat, against Rs. 40 and Rs. 50 as proposed. The typist's pay may be fixed at Rs. 30 or Rs. 35.

7. At present two of the most senior auditors are drawing Rs. 230 and Rs. 220. It is proposed to give them Rs. 250 each up to such time as one of the posts is absorbed. Either the excess appointment should be done away with at once or, if this is not possible, they should continue to draw what they are now getting. It has not been stated when the absorption may be expected to happen. It is further proposed to have an additional peon on Rs. 8 per mensem, from now up to the time when the final scale is introduced. The necessity for this additional peon has not been explained. The additional cost in consequence of the employment of an additional auditor and a peon minus the charge on account of a clerk on Rs. 40, who will not be employed until absorption, is Rs. 218 per mensem. The Accountant-General may demi-officially be asked when it is expected the extra auditor and peon will be absorbed and as to the necessity for an additional peon.

K. D. B.—7-10-1912.

THE Bengal scale of the Local Audit Establishment will be found at page 2 of the Municipal Department A Proceedings for November 1909, Nos. 45-50. The Accountant-General, Bihar and Orissa, has adopted the same principle in fixing the scale as in Bengal, *i.e.*, he has allotted one auditor and an assistant or clerk to each circle of audit. This may be approved.

As regards the proposal in paragraph 3 of Accountant-General's letter, Revenue Department may be consulted first. The staff proposed is not excessive, excepting perhaps the leave reserve which may be taken at 10 per cent. The total number would then be $13+1=14$, instead of 15, as proposed.

As regards the rates of pay, the maximum pay proposed is Rs. 250, the same as in Bengal. In the Secretariat establishment, the rates of pay are on a much lower scale than in Bengal; it is not clear, therefore, why the high standard of Bengal should be maintained in the Land Acquisition Department. It may be noted that the maximum pay of a Superintendent in the Accountant-General's main office here is Rs. 400, while in Bengal, it is Rs. 450. The pay of the clerks and typists may be cut down as proposed in the office note.

It is proposed to entertain an extra auditor on Rs. 250 against a vacancy in the grade of clerks on Rs. 40, until the excess appointment is absorbed. In the first place, the interests of the present incumbents should be safe-guarded, as usual, by the grant of personal allowance, with reference to the scales of pay as may be decided upon. Secondly, although the Controller-General has approved of the Accountant-General's proposal, we are entitled to know how long the excess is expected to last. This may be enquired unofficially. It is not clear why an extra peon is necessary. We may enquire about this also.

H. S. M.—9-10-1912.

WILL Revenue Department kindly advise on the proposals made in paragraph 3 of Accountant-General's letter below?

G. F. SMITH—14-10-1912.

UNDER-SECRETARY—

The suggestion made in paragraph 3 of the Accountant-General's letter as regards the calculation of actual cost of audit may be accepted. As to the apportionment of the cost, the areas of the estates under partition might, perhaps, be taken as the basis for the purpose.

The Government revenue of the estates under partition might be taken as another basis; but this, perhaps, may not be fair inasmuch as the proportion of the Government revenue to assets differs very considerably from one district to another.

The third basis of the apportionment might be the assets of estates, and this may, perhaps, be taken as the fairest criterion.

In this connection a reference is solicited to Rules 3 to 5 and the clauses thereunder of the Rules in Part III, page 53, of the Partition Manual, as corrected by the Board's Circular No. 30 of November 1910, dealing with the apportionment of cost of establishment, etc.

GURU CH. LAL—15-10-1912.

SECRETARY—

Board's rules prescribe area of estates as basis of apportionment except in cases where area is not known even approximately, when the prescribed basis is the most recent valuation for the purpose of assessment of Board and Public Works cess.

(Partition Manual, Part III, clause 4, page 53). Please see note above.

J. C. B. DRAKE—29-10-1912.

THE HON'BLE MR. WALSH—

We are asked to advise on the proposals made in paragraph 3 of Accountant-General's letter. I think that there is no doubt that we should accept them. The cost to the estates will be less than it was under the old system.

J. F. GRUNING—29-10-1912.

THE Accountant-General's proposals in regard to the audit of Batwara accounts are accepted.

E. H. C. WALSH—31-10-1912.

SECRETARY—

Accountant-General's proposals about the Local Audit Establishment seem unobjectionable in principle. Revenue (Board) have concurred as far as they are concerned.

Two or three objections have been raised.

(1) The leave reserve, which the Accountant-General puts at 13 per cent. is too high. We generally allow 10 per cent.

(2) The scale of pay ought to be lower than in Bengal.

(3) We might fix a time-limit for the excess auditor.

S. B. DHAVLE—2-11-1912.

Leave Reserve—Ten per cent. is the scale for ordinary clerical offices. In the Provincial Executive Service it is 14 per cent. The Local Audit Establishment is not wholly clerical and as 13 per cent. is apparently the standard used elsewhere for this purpose, we may agree to it in this case.

Comparison with Bengal scale of pay.

The Accountant-General says the scale adopted corresponds with that elsewhere, *i.e.*, in other places besides Bengal. We want good men for local audit and I see no objection to the scale proposed.

Excess Auditor—We might sanction him up to March 31st next. If he is required after that, Accountant-General will have to make out a case. In issuing orders see that sanction is accorded to the employment of the existing staff up to date.

E. L. TANNER—7-11-1912.

[No. 2.]—To Accountant-General, Bihar and Orissa, No. 5757F., dated the 15th November 1912.

[No. 3.]—To the Revenue Department of this Government, No. 5758F., dated the 15th November 1912.

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Local Audit Establishment of the office of the Accountant General, Bihar and Orissa.

Est.
[File No.—F.]
89

[No. 1].

No. L. A.—233, dated Ranchi, the 27th September 1912.

From—W. ALDER, Esq., M.A., I.C.S., Accountant-General, Bihar and Orissa,

To—The Secretary to the Government of Bihar and Orissa, Financial Department.

I have the honour to submit my proposals for the Local Audit Establishment of this Province and to explain that my delay in doing so is due partly to the fact that proposals framed before actual experience of local requirements had been gained were likely to be defective, and partly to the necessity of first obtaining the approval of the Comptroller-General with whom the matter has been for some time under correspondence. Hitherto the work has been carried on by a staff consisting of five Auditors, a probationary Auditor and a Typist transferred from Eastern Bengal and Assam, and two Auditors, an Assistant Auditor and two Clerks transferred from the Bengal office with a menial staff consisting of eight peons.

2. It will clear the ground if I explain that it is proposed to divide up the Province into circles of Audit and to allot to each Circle one Auditor with one Assistant Auditor or Clerk to assist him. This is the system which is now in force in Bengal and has been found to work well. It is estimated that an audit when performed by an Auditor with an Assistant takes two-thirds of the time that would be required if the Auditor worked single-handed. The system proposed therefore not only makes for economy but also minimizes the dislocation of local offices by cutting down the length of each audit. The system has the further advantage of enabling Assistant Auditors to obtain some training and experience before being put in charge of an independent audit.

3. In calculating the work to be done by the Local Audit Establishment, I have included the audit of Butwara Accounts of estates under partiton. These accounts were audited by the Bengal establishment and I understand that it is the wish of the Board of Revenue that this should continue. The cost of the audit of these accounts is ultimately recovered from the estates concerned. In Bengal a fixed sum of Rs. 2,700 representing the pay of an Auditor and peon was recovered annually apportioned amongst the estates concerned by the Board of Revenue. I do not think that it is advisable to adopt a similar method of calculation in this Province. Neither in Bengal in the past nor in this Province at present do these accounts represent a year's work for one Auditor, and no one Auditor will be specially detached for the work. Further, the number of estates under partition is liable to vary and a fixed annual recovery does not therefore meet the case. I would propose that at the close of each year I should calculate the actual cost of such audits and report the amount to the Board of Revenue for apportionment and recovery. I could of course work out a figure for each estate separately, but I doubt whether this would be a fair method as it would tell somewhat hardly on those estates whose accounts were audited by the more senior and highly paid Auditors. I would solicit orders on this point and may add that if my proposal be accepted, the recoveries to be effected are likely to be considerably less than Rs. 2,700 and will more or less represent what the estates may fairly be called upon to pay for the work done for them.

4. The time required to carry out all local audits has been calculated on the actual results of past audits; and on the assumption that each Auditor is accompanied by an Assistant Auditor. The total number of days comes to 1,263. The number of working days in a year excluding Sundays, holidays and days spent in travelling, may be taken at 250 approximately, and I therefore propose to have five circles of Audit, each manned by an Auditor and an Assistant Auditor. For the headquarters staff one Auditor, one Assis-

tant and one Typist will be necessary and the actual effective strength required is therefore six Auditors, six Assistant Auditors and one Typist. It is, however, very desirable to provide for a leave reserve also, as untrained men are of little or no use for audit work. The standard adopted in Accounts offices for a leave reserve is 13 per cent. on the total establishment, and I therefore propose to entertain two reservists. The menial staff required will be eight peons, one for each Auditor and two for the Examiner.

5. The rates of pay proposed (which are in all cases fixed and not progressive) have received the approval of the Comptroller-General and correspond to the rates adopted for similar establishments elsewhere. They are calculated to attract the type of men needed and to allow of a reasonable flow of promotion. In general, it is not found very convenient to interchange men between the main audit office establishment and the Local Audit Branch and when this is done, it is usually done with the object of providing ready trained men for the latter. It is very seldom convenient to take outside Auditors into the main establishment and it is therefore necessary to provide fair prospects in the Local Audit Branch.

6. The staff so far proposed by me has been calculated so as to meet the ordinary requirements of Local Audit work, and I may point out that it is rather less than that employed previously in Bengal for the same work and also less than that provided for in this year's budget. The question of special audits, however, remains to be considered, and on this subject I cannot do better perhaps than quote extracts from the correspondence that has passed between the Comptroller-General and myself. In dealing with special audits I wrote "I have been asked to arrange for several of these—in some cases a promise to undertake them having been given by the Accountant-General, Bengal, before the repartition. At present I find myself unable to do anything in the matter for several reasons. In the first place, I do not care to undertake additional work until my full staff is sanctioned, and in the second place, I have not got and cannot find the men for the work. One of my Auditors is on long medical leave and I have no reserve whatever. In Local Audit a temporary establishment seems to me of very little service. Trained men are absolutely requisite and at present my main office is not in a position materially to assist the Local Audit staff by loaning trained men in place of temporary outsiders. A further difficulty which arises in connection with one of the most pressing special audits which I have been asked to undertake is that the accounts are kept in Uriya. I have only one Uriya-knowing man, who is an Assistant Auditor sent from Bengal. His work has been thoroughly tested at Puri and I am quite satisfied that he cannot be entrusted with a special audit." To this the Comptroller-General replied: "If the Local Government and yourself agree that the special audits justify the permanent increase of the staff, I shall not object. I agree with you that a temporary establishment is of little use in local audit, but it might be possible to arrange for a special audit from among the permanent staff when leave absentees are few. In any case it ought always to be possible to arrange that the senior man at least employed on a special audit should be one of a permanent staff of Auditors and Assistant Auditors." It is not at present possible for me to put up a case for a permanent increase of staff on this account without reviewing the amount of special audit work undertaken over a considerable period and for this I have not the materials. Several special audits, however, are standing over at the present moment, *e.g.*, the audit of the accounts of the Bhingerpur Estate under the control of the District Judge, Cuttack, the audit of the Shakerpura, Ratan and Champraon Estates in Monghyr and the reconciliation of discrepancies in the Loan Accounts of the Patna Collectorate. These will take some time to do, but it may be possible to start on them very soon if one of my Local Auditors now on medical leave returns to work.

7. It remains to point out that the scale proposed does not entirely provide for the men already employed, and to obviate this I propose with the Comptroller-General's approval that there should for the present be an excess Auditor against a vacancy in the lower grades. As already

explained, 7 Auditors are being entertained against a proposed scale of 6, and as two of these are already drawing over Rs 200, I propose to have an excess appointment on Rs. 250, which will ultimately be absorbed and against which in the meantime a post on Rs. 40 will be held vacant. I would further ask that so long as 7 Auditors are entertained the 7th Auditor will be entrusted with independent audits. It will thus be possible I hope to work off some of the special audits now outstanding.

8. The following table shows the men at present entertained, the staff proposed for employment until the 7th Auditor becomes absorbed and the permanent scale with which it is proposed ultimately to work :—

| Scale No. 1. | | Scale No. 2. | | Scale No. 3 | |
|---------------------------------------|----------|--|-----------|---------------------|-----------|
| Entertained at present. | | To be entertained until absorption of 7th Auditor. | | Final Scale. | |
| | Rs. | | Rs. | | Rs. |
| 1 Auditor... | 230 | 2 Auditors ... | 250 each. | 1 Auditor | 250 |
| 1 Do. ... | 220 | 2 Do. ... | 200 „ | 2 Auditors | 200 each. |
| 1 Do. ... | 200 | 2 Do. ... | 150 „ | 2 Do. ... | 150 „ |
| 1 Do. ... | 170 | 1 Auditor | 125 | 1 Auditor | 125 |
| 1 Do. ... | 150 | 1 Assistant do. | 75 | 1 Assistant Auditor | 75 |
| 1 Do. ... | 120 | 1 Do. do.... | 60 | | |
| | | | | 1 Do. do. | 60 |
| 1 Do. ... | 110 | 2 Clerks ... | 50 each. | | |
| | | | | 2 Clerks | 50 each. |
| 2 Assistant Auditors on | 60 each. | 3 Clerks ... | 40 „ | 4 Do. | 40 „ |
| 1 Clerk ... | 50 | 1 Typist ... | 40 | 1 Typist ... | 40 |
| 1 Do. ... | 40 | 4 Peons ... | 9 each. | 4 Peons | 9 each. |
| 1 Typist | 30 | 5 Do. ... | 8 „ | 4 Do. | 8 „ |
| 4 Peons | 9 each. | | | | |
| 4 Do. | 8 „ | | | | |
| | | | | | Rs. |
| The monthly cost at present comes to | | | | ... | 1,508 |
| Proposed until absorption one Auditor | | | | ... | 1,796 |
| According to final scale | | | | ... | 1,578 |
| Provided in the budget | | | | ... | 2,143 |

I would therefore ask that if my proposals be approved, sanction may be given to scale 3 with a sanction to entertain men as in scale 2 until by absorption scale 3 can be introduced in its entirety and that sanction may also be given for the entertainment of the establishment in scale 1 for the period from 1st April 1912 to the date of your sanction.

9. A proposition statement is forwarded herewith and the favour of early orders is solicited.

Statement of Proposition for Revision of Establishment.

| Order sanctioning present establishment—Government of Department. | | Office to which the proposition refers. | Nature of charge. | | | | | | | | | | | | Proposition. | | | | | | Grounds of proposition. | Local Government's recommendation. | Orders of the Government of India. | | |
|---|---|---|-------------------|--------------|----------|------------|----------|---------------|-----------------|----------------------|-------------------|------------|----------|---------------|---------------------|---------------------|---------------------|---------|---------------------|---------|---|------------------------------------|------------------------------------|-----------------------|----------|
| | | | Present scale. | | | | | | Proposed Scale. | | | | | | Permanent. | | Temporary. | | | | | | Home Department. | Financial Department. | |
| | | | Number. | Designation. | Pay. | | | Average cost. | Number. | Designation. | Pay. | | | Average cost. | Increase per month. | Decrease per month. | Increase per month. | | Decrease per month. | | | | | Remarks. | Remarks. |
| | | | | | Minimum. | Increment. | Maximum. | | | | Minimum. | Increment. | Maximum. | | | | Period. | Amount. | Period. | Amount. | | | | | |
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| | | Office of the Accountant-General, Bihar and Orissa, Local Audit Department. | | | | | | | | | Rs. | Rs. | Rs. | (Fixed) | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Establishment for the newly constituted province of Bihar and Orissa. | | | | |
| | | | | | | | | | | 1 | Local Auditor | ... | ... | ... | 250 | ... | 250 | | | | | | | | |
| | | | | | | | | | | 2 | Local Auditors | ... | ... | ... | 200 | each | ... | 400 | | | | | | | |
| | | | | | | | | | | 2 | Ditto | ... | ... | ... | 150 | each | ... | 300 | | | | | | | |
| | | | | | | | | | | 1 | Local Auditor | ... | ... | ... | 125 | ... | 125 | | | | | | | | |
| | | | | | | | | | | 1 | Assistant Auditor | ... | ... | ... | 75 | ... | 75 | | | | | | | | |
| | | | | | | | | | | 1 | Ditto | ... | ... | ... | 60 | ... | 60 | | | | | | | | |
| | | | | | | | | | | 2 | Audit Clerks | ... | ... | ... | 50 | each | ... | 100 | | | | | | | |
| | | | | | | | | | | 4 | Ditto | ... | ... | ... | 40 | each | ... | 160 | | | | | | | |
| | | | | | | | | | | 1 | Typist | ... | ... | ... | 40 | ... | 40 | | | | | | | | |
| | | | | | | | | | | Total (ministerial.) | 15 | | | ... | Total | ... | 1,510 | | | | | | | | |
| | | | | | | | | | | 4 | Peons | ... | ... | ... | 9 | each | ... | 36 | | | | | | | |
| | | | | | | | | | | 4 | Do. | ... | ... | ... | 8 | each | ... | 32 | | | | | | | |
| | | | | | | | | | | Total (ministerial.) | 8 | | | ... | Total | ... | 68 | | | | | | | | |

W. ALDER,
Accountant-General, Bihar and Orissa.

[No. 2.]

No. 5757-F., dated the 15th November 1912.

From—S. B. DHAVLE, Esq., I.C.S., Under Secretary to the Government of
Bihar and Orissa, Financial Department,

To—The Accountant-General, Bihar and Orissa.

With reference to your letter No. 233-L.A., dated the 27th September 1912, I am directed to convey the sanction of Government to the employment, as a permanent measure, of the establishment detailed in the proposition statement, forwarded with the letter in question for work in connection with the Local Audit Department of your office. A copy of the statement is enclosed.

| | Rs. |
|---|-----|
| 1 Auditor on | 230 |
| 1 " " | 220 |
| 1 " " | 200 |
| 1 " " | 170 |
| 1 " " | 150 |
| 1 " " | 120 |
| 1 " " | 110 |
| 2 Assistant Auditors on 60 each per mensem. | |
| 1 Clerk on | 50 |
| 1 " " | 40 |
| 1 Typist " | 30 |
| 4 Peons " 9 each per mensem. | |
| 4 " " | 8 |

2. Sanction of Government is also
accorded to the employment of the
establishment shown in the margin, with
effect from the date the men joined their
appointments at Ranchi to the date of
this letter.

3. Government is also pleased to sanction the employment of an additional Auditor on Rs. 250 and an additional peon on Rs. 8 per mensem, with effect from the date of this letter to the 31st March 1913. Against this excess, the number of clerks on Rs. 40 should be reduced from 4 to 3 for the period in question.

4. The proposals contained in paragraph 3 of your letter regarding the method of the appointment and recovery of the cost of audit of Batwara accounts of estates under partition are approved.

[No. 3.]

No. 5758-F., dated Ranchi, the 15th November 1912.

Memo by—The Under Secretary to the Government of Bihar and Orissa,
Financial Department,

Extract, paragraph 4, with a copy of paragraph 3 of the Accountant-General, Bihar and Orissa's letter No. 233-L.A., dated the 27th September 1912, forwarded to the Revenue Department for information and communication to the Board of Revenue.

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REFERENCES TO FORMER CASES.

16A
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REFERENCES TO LATER CASES.

$\frac{23}{18}$ NB 14 Miscellaneous A April no-9-10
 $\frac{17}{7}$ 35 NB 13 Finance A April 1914 no-35-37
7 Misc B. August/18-120/21 ($\frac{246}{43}$)

PAPERS OTHER THAN PROCEEDINGS.

I.—Printed.

Notes and Orders.

II.—Unprinted.

Nil.