

1
GOVERNMENT OF
BIHAR AND ORISSA.

1914

FINANCIAL
DEPARTMENT.

MISCELLANEOUS.

APRIL.

Est.
FILE No. — OF 1914.
18

Nos. 9 and 10.

Revision of the Local Audit Establishment of Accountant-General's office.

बिहार सरकार
मंत्रिमंडल सचिवालय विभाग
(बिहार राज्य अभिलेखागार निदेशालय)

LIST OF PAPERS.

| No. | PAGE |
|---|------|
| 9. From the Accountant-General, Bihar and Orissa, No. L.A.-8-872, dated the 14th March 1914, on the above subject. | 1 |
| A.—Enclosure to No. 9.—Proposition statement. | 2 |
| B.—Enclosure to No. 9.—Copy of letter No. 370-E, 695-13, dated the 20th February 1914, from the Comptroller-General to the address of the Accountant-General, Bihar and Orissa. | 3 |
| C.—Enclosure to No. 9.—Copy of letter No. L. A.-8-659, dated the 15th December 1913, to the address of the Comptroller-General, Delhi. | 3 |
| 10. To the Accountant-General, Bihar and Orissa, No. 4378, dated the 8th April 1914, conveying sanction to the above. | 8 |

NOTES.

FINANCIAL DEPARTMENT.

MISCELLANEOUS.

FINL., MISC. A—PROCEEDINGS FOR APRIL 1914, NOS. 9 AND 10.

Est.
FILE No. — OF 1914.
18

Revision of the Local Audit Establishment of the Accountant-General's office.

[No. 9.] From the Accountant-General, Bihar and Orissa, No. L.A.-8-872, dated the 14th March 1914.

The proposal is to revise the establishment employed in the Local Audit department of the Accountant-General's office as shown in the Proposition Statement. The total increase on account of the permanent establishment will be Rs. 338 per mensem.

The temporary establishment proposed is required to clear off arrears of work which have been inherited from the Bengal Audit Department: the Accountant-General should have, when this province was formed, brought this to the notice of Government, so that the Bengal Audit Department would have been forced to depute their men to bring up to date the heavy accumulations, or to explain satisfactorily the reasons which led to these accumulations. Now it is too late. The temporary staff proposed may be sanctioned for one year on condition that it should complete the work within the time and on no account their retention for any extended period will be sanctioned. The cost of the temporary staff is estimated at Rs. 624 per mensem.

As to the necessity for the revision of the permanent staff, the high authority of the Comptroller General may be accepted. The revised proposals may, in their entirety, be accepted. The orders regarding the present establishment will be found in the proceedings put up.

There is one point which deserves special consideration, that is, that auditors should not be attached to any particular circle. They may work in a particular circle for one or two years at the most and then must be transferred to another circle. To attach a particular auditor to a particular circle may lead to fraud and defalcation, if there is connivance.

The Accountant-General's unofficial memo., dated the 1st March 1914, in which suggestions to meet the extra charge has, it is stated, been made is not traceable. When the proposals are accepted, the Accountant-General may again unofficially be requested to suggest a reappropriation.

K. D. B.—27-3-1914.

U. M. S.—30-3-1914.

Secretary—

The Comptroller-General accepts the Accountant-General's proposals both in respect of permanent and temporary staff, and he is better qualified to judge of the Accountant-General's requirements than this Department is.

We may accept his proposals. The additions to the permanent staff are an extra auditor on Rs. 250 (he is already being entertained against a vacancy on Rs. 40), an audit clerk and a peon, and the pay of the Assistant Auditor is being raised for reasons given by the Accountant-General in paragraph 10 of his letter.

As to the attaching of the auditors to the different circles, I am not sure that it is for us to advise.

P. C. TALLENTS—2-4-1914.

Hon'ble Mr. Gait—

The Accountant-General's proposals seem to have been thoroughly thought out and they may, I think, be sanctioned as they stand.

G. RAINY—2-4-1914.

E. A. G[AIT]—4-4-1914.

[No. 10.] To Accountant-General, Bihar and Orissa, No. 4378F., dated the 8th April 1914.

FINANCIAL DEPARTMENT.

MISCELLANEOUS.

EST.
FILE NO. — OF 1914.
18

Revision of the Local Audit Establishment of the Accountant-General's office.

[No. 9.]

No. L.A.-8-872, dated Ranchi, the 14th March 1914.

From—L. E. PRITCHARD, Esq., Accountant-General, Bihar and Orissa,

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

I have the honour to refer you to the correspondence ending with your letter No. 5757F., dated the 15th November 1912, regarding the organisation and strength of my Local Audit Establishment. In the light of subsequent experience I have found that the establishment as now sanctioned is inadequate to cope with the work of the department. I have therefore approached the Comptroller-General on the subject and I forward herewith copies of correspondence with him from which it will be seen that he has agreed to my seeking sanction to the revised establishment as detailed in the Proposition Statement attached herewith. I would therefore request that Government may be pleased to accord sanction to the establishment now proposed with effect from the 1st April 1914.

2. The financial effect of the proposal will be an extra cost of approximately Rs. 12,000 and this expenditure cannot be met from the budget of the Local Audit Department, but a re-appropriation of funds in this connection has already been suggested to Government in my unofficial Memo., dated the 1st March 1914.

3. In the event of the proposed establishment being sanctioned, I shall be in a position to organise audit circles with district head-quarters and this will result in the saving of expenditure under 'travelling allowance' as detailed in paragraph 10 of my letter No. L.A.-8-659, dated the 15th December 1913, to the address of the Comptroller-General, a copy of which is enclosed.

4. In inviting a reference to paragraph 11 of my letter to the Comptroller-General referred to above, I would urge the necessity for working off the arrears of work with all possible despatch and would therefore request the favour of very early orders on this application.

| Orders sanctioning present Establishment. Government of Bihar and Orissa, Financial Department. | | Office to which the proposition refers. | Nature of Charge. | | | | | | | | | | | | Proposition. | | | | | | Grounds of proposition. | Local Government's recommendation. | Orders of the Government of India. | | | |
|---|-------|---|-------------------|--------------|-----------|------------|-----------------|----------------------------------|-----------------|--------------|-----------|------------|-----------|---------------|---------------------|---------------------|---------------------|-----------|---------------------|-----------|---|------------------------------------|------------------------------------|-----------------------|----------|---------|
| Number. | Date. | | 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. | Orders. |
| | | | | | Minimum. | Increment. | Fixed. | | | | Minimum. | Increment. | Fixed. | | | | Amount. | 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 | |
| 675F. 15th November 1912. Office of the Accountant-General, Bihar and Orissa, Local Audit Department. 1 | | | | | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. | | | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. | Rs. a. p. | | Rs. a. p. | | Rs. a. p. | As detailed in this office No. L.A.-8-872, dated the 14th March 1914. | | | | | |
| | 1 | Local Auditor ... | ... | ... | 250 0 0 | 250 0 0 | 2 | Local Auditor ... | ... | ... | 250 0 0 | 500 0 0 | 250 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 2 | Ditto ... | ... | ... | 200 0 0 | 400 0 0 | 2 | Ditto ... | ... | ... | 200 0 0 | 400 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 2 | Ditto ... | ... | ... | 150 0 0 | 300 0 0 | 2 | Ditto ... | ... | ... | 150 0 0 | 300 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 1 | Ditto ... | ... | ... | 125 0 0 | 125 0 0 | 1 | Ditto ... | ... | ... | 125 0 0 | 125 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 1 | Assistant Auditor ... | ... | ... | 75 0 0 | 75 0 0 | 1 | Assistant Auditor ... | ... | ... | 90 0 0 | 90 0 0 | 15 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 1 | Ditto ... | ... | ... | 60 0 0 | 60 0 0 | 1 | Ditto ... | ... | ... | 75 0 0 | 75 0 0 | 15 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 2 | Audit Clerks ... | ... | ... | 50 0 0 | 100 0 0 | 3 | Audit Clerks ... | ... | ... | 50 0 0 | 150 0 0 | 50 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 4 | Ditto ... | ... | ... | 40 0 0 | 160 0 0 | 4 | Ditto ... | ... | ... | 40 0 0 | 160 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 1 | Typist ... | ... | ... | 40 0 0 | 40 0 0 | 1 | Typist ... | ... | ... | 40 0 0 | 40 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 15 | Total (ministerial) | ... | ... | ... | 1,510 0 0 | 17 | ..... | ... | ... | ... | 1,840 0 0 | 330 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 4 | Peons... | ... | ... | 9 0 0 | 36 0 0 | 4 | Peons... | ... | ... | 9 0 0 | 36 0 0 | ... | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 4 | Peons... | ... | ... | 8 0 0 | 32 0 0 | 5 | Peons... | ... | ... | 8 0 0 | 40 0 0 | 8 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
| | 8 | Total (menials) | ... | ... | ... | 68 0 0 | 9 | ..... | ... | ... | ... | 76 0 0 | 8 0 0 | ... | ... | ... | ... | ... | ... | | | | | | | |
|  | ..... | ..... | ... | ... | ... | ... | 3 | TEMPORARY. Local Auditors ... | ... | ... | 150 0 0 | 450 0 0 | ... | ... | One year. | 450 0 0 | ... | ... | ... | | | | | | | |
|  | ..... | ..... | ... | ... | ... | ... | 3 | Audit Clerks ... | ... | ... | 50 0 0 | 150 0 0 | ... | ... | Do. | 150 0 0 | ... | ... | ... | | | | | | | |
|  | ..... | ..... | ... | ... | ... | ... | 6 | Total (ministerial) | ... | ... | ... | 600 0 0 | ... | ... | ... | 600 0 0 | ... | ... | ... | | | | | | | |
|  | ..... | ..... | ... | ... | ... | ... | 3 | Peons... | ... | ... | 8 0 0 | 24 0 0 | ... | ... | One year. | 24 0 0 | ... | ... | ... | | | | | | | |
| ..... | ..... | ... | ... | ... | ... | 3 | Total (menials) | ... | ... | ... | 24 0 0 | ... | ... | ... | 24 0 0 | ... | ... | ... | | | | | | | | |

J. C. BELL,
for Accountant-General, Bihar and Orissa.

Enclosure No. 1.

With reference to your letter No. L.A.-8-659, dated the 15th December 1913, regarding the organisation and strength of your Local Audit Department, I have the honour to make the following remarks :—

| | | | | | | | Rs. a. p. | | |
|---|-------------------|-----|-----|-----|-----|-----|-----------|---|---|
| 2 | Auditors on | ... | ... | ... | ... | ... | 250 | 0 | 0 |
| 2 | " " | ... | ... | ... | ... | ... | 200 | 0 | 0 |
| 2 | " " | ... | ... | ... | ... | ... | 150 | 0 | 0 |
| 1 | Auditor on | ... | ... | ... | ... | ... | 125 | 0 | 0 |
| 1 | Asstt. Auditor on | ... | ... | ... | ... | ... | 90 | 0 | 0 |
| 1 | " " | ... | ... | ... | ... | ... | 75 | 0 | 0 |
| 3 | Audit Clerks " | ... | ... | ... | ... | ... | 50 | 0 | 0 |
| 4 | " " " | ... | ... | ... | ... | ... | 40 | 0 | 0 |
| 1 | Typist on | ... | ... | ... | ... | ... | 40 | 0 | 0 |
| 4 | Peons " | ... | ... | ... | ... | ... | 9 | 0 | 0 |
| 5 | Peons " | ... | ... | ... | ... | ... | 8 | 0 | 0 |

4. I have carefully considered your proposals regarding the grant of Local allowance to head-quarters (Ranchi) employes at 80% of their pay subject to a minimum of Rs. 15 per mensem, but I regret that I am unable to entertain it. Liability to serve in Ranchi without special emoluments must be considered as an ordinary condition of service in the Local Audit Department, and the inadmissibility of daily allowance at Ranchi cannot seriously be considered as a legitimate grievance.

[C.—Enclosure to No. 9.]

Enclosure No. 2.

In continuation of the correspondence ending with your letter No. 173 T-E, dated the

ENCLOSURES.

1. No. L. A.-76, dated 4th May 1912, from the Examiner of Local Accounts, Bengal.
2. No. 20-407—2, dated 20th November 1913, from Board of Revenue and reply thereto.
3. Statement regarding special audits.
4. Deputy Accountant-General, Bihar and Orissa's note, dated 10th April 1912.
5. Statement showing receipts and expenditure in Municipalities.
6. Statement showing arrears of work.
[Enclosures 1 to 6 not printed. Deposit 'A', April 1914, No 16.]
7. Circular No. L. A.-77, dated 30th January 1911.

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to show that the work itself has increased quite apart from the time limits fixed in the Manual. In endeavouring to prove to your satisfaction the necessity for the increased establishment now applied for by me, I am assuming that the time allotted for audit in the Bengal Manual is sufficient in all cases where I cannot adduce substantial reasons for urging an addition to the time thus allotted.

2. The total time allotted in the Bengal Manual for the audit of all accounts (now in Bihar and Orissa) by one man, amounts to 1,751 days. This figure is made up as follows:—

| | | | | | |
|-------|----------------------------------|-----|-----|-----|-------------|
| (1) | for District Funds | ... | ... | ... | 586 days. |
| (2) | for Municipalities | ... | ... | ... | 659 days. |
| (3) | for Wards Estates | ... | ... | ... | 379 days. |
| (4) | for other miscellaneous accounts | ... | ... | ... | 127 days. |
| Total | | | | | 1,751 days. |

I now propose to analyze these figures in detail.

3. *District Funds*.—I anticipate a very heavy increase in the Receipts and Expenditure of these funds from the year 1914-1915 onwards, owing to the greatly increased contribution of Cess Receipts to be made from Provincial to Local (about 24 lakhs) and also owing to the increased Education Grants to be made to District Boards (about 2 lakhs).

I am not now in a position to estimate the corresponding increase of work which will be thrown on my local Auditors on this account, and I therefore desire for the present to accept the time allotted in the Bengal Manual as sufficient for the audit of District Fund accounts with the following exception.—*i. e.*, the time allotted for the audit of the Manbhum District Fund is 25 days : the average time taken during the last three years for this audit is 34 days. The receipts and expenditure of this District Fund in the year 1907-08 (*i. e.*, the date of publication of Bengal Manual) were as follows :—Receipts Rs. 2,32,188, Expenditure Rs. 1,61,624, but in 1911-12 had risen to Receipts Rs. 4,00,404, Expenditure Rs. 4,06,996. I think these figures will justify a request that 9 days more should be allowed for this audit thus working up to the average time actually taken, *i. e.*, 34 days. I therefore consider that the time allotted for the audit of District Fund accounts should be admitted at—

| | | | | | |
|-----------------------------------|-----|-----|-----|-----|----------|
| Time allowed in the Bengal Manual | ... | ... | ... | ... | 586 days |
| plus | ... | ... | ... | ... | 9 days |
| | | | | | <hr/> |
| Total | ... | ... | ... | ... | 595 days |
| | | | | | <hr/> |

4. **Municipalities.**—The time allotted in the Bengal Manual amounts to 659 days. I attach a statement (enclosure No. 5) comparing the receipts and expenditure for the year 1907-08 with the receipts and expenditure for the year 1911-12 from which you will observe a gross increase of 18·5 per cent. I would therefore submit that an increase of 18·5 per cent. may fairly be made to the time allotted in the Bengal Manual. Added to this, the following accounts have now come under my audit: (1) Madhupur Municipality, (2) Forbesganj Municipality. As regards the first account, the time actually taken at the last audit was 13 days ; as regards the second, this account has not yet been audited and I would propose to allow the average time allotted to small municipalities, *i. e.*, 8 days. My proposal therefore is to admit the following time for the audit of Municipal Accounts :—

| | | | | | |
|---|-----|-----|-----|-----|----------|
| According to the Bengal Manual | ... | ... | ... | ... | 659 days |
| Add 18·5 per cent. for the reason explained above | ... | ... | ... | ... | 122 days |
| Add for Madhupur and Forbesganj | ... | ... | ... | ... | 21 days |
| | | | | | <hr/> |
| Total | ... | ... | ... | ... | 802 days |
| | | | | | <hr/> |

It may be interesting to note that the time actually taken at the last audit was 840 days whereas the *average* time taken works out to 803 days, *i. e.*, one day more than the time now asked for by me.

5. **Wards Estates.**—The time allotted in the Bengal Manual is 379 days.
Deduct—The following Estates which have been released by the Court of Wards :—

| | | | | | |
|---------|-----|-----|-----|-----|----------|
| Hutwa | ... | ... | ... | ... | 80 days |
| Tamkahi | ... | ... | ... | ... | 15 days |
| Sheohar | ... | ... | ... | ... | 12 days |
| | | | | | <hr/> |
| Total | ... | ... | ... | ... | 107 days |

Add—Estates not included in the Bengal Manual as specified in letter from the Examiner of Local Fund Accounts, Bengal, dated 4th May 1912 (copy attached, Enclosure No. 1)—

| | | | | | |
|---------|-----|-----|-----|-----|----------|
| Ramgarh | ... | ... | ... | ... | 182 days |
| | ... | ... | ... | ... | 36 days |
| | | | | | <hr/> |
| Total | ... | ... | ... | ... | 218 days |

Ramgarh is a new Estate, with a demand of 3 lakhs, added to my audit, and I have allowed 36 days in proportion to the time allotted for the Bettiah Raj accounts, *i. e.*, the largest Estate under my audit. This course seems fair in the absence of definite knowledge of the details of the work entailed ; but I would point out that in the case of the Surajpura Wards Estate, of which the annual demand is under 2 lakhs, the time allowed for audit is 38 days, and I therefore do not think that 36 days over estimates the time required for the audit. I take this opportunity to invite your attention to letter No. 20-407-2, dated the 20th November 1913, from the Board of Revenue, and my reply thereto (copies attached—Enclosure No. 2) from which you will see that the work in connection with the audit of Wards Estates accounts is steadily increasing. The net results of the above calculation will shew the following time should be allotted for the audit of the Wards Estate accounts :—

| | | | | |
|------------------------------------|-----|-----|-----|----------|
| Time allotted in the Bengal Manual | ... | ... | ... | 379 days |
| Deduct as explained above | ... | ... | ... | 107 days |
| | | | | <hr/> |
| Total | ... | ... | ... | 272 days |
| Add as explained above | ... | ... | ... | 218 days |
| | | | | <hr/> |
| Total | ... | ... | ... | 490 days |
| | | | | <hr/> |

6. Other Miscellaneous Accounts.

| | | | | |
|---|-----|-----|-----|----------|
| Time allotted in the Bengal Manual ... | ... | ... | ... | 127 days |
| Add Village Police Provident Fund (Please see Enclosure No. 1). | ... | ... | ... | 5 days |
| Arrah Water Works (Time actually taken when audited in Bengal) | ... | ... | ... | 3 days |
| Total | ... | ... | ... | 135 days |

7. By adding up the time necessary for the audit of all accounts, as calculated by me in paragraphs 3 to 6 above, we obtain the following result:—

| | | | | | |
|-----------------------|-----|-----|-----|-----|------------|
| District Funds | ... | ... | ... | ... | 595 days |
| Municipalities | ... | ... | ... | ... | 802 days |
| Wards Estate Accounts | ... | ... | ... | ... | 490 days |
| Others | ... | ... | ... | ... | 135 days |
| Grand Total | ... | ... | ... | ... | 2,022 days |

8. I must now refer to what are termed "Special Audits." As you are aware, my auditors merely conduct a percentage audit, and whenever a defalcation occurs, I am at once requested to depute an auditor to conduct a "Special Audit" to discover the exact amount and extent of the defalcation. This entails a *detailed* audit, and occupies considerably more time than the time allotted for the ordinary audit. I attach a statement (Enclosure No. 3) showing the "special audits" undertaken during the last two years, and I would draw your attention to the disparity between the time allowed for an ordinary audit and the time actually taken in conducting a special audit. I am of opinion that a special audit should invariably be conducted whenever a case of embezzlement is detected, as expert assistance from the Audit Department is essential to ensure that all facts in connection with an embezzlement are duly brought to light. If provision for special audits is not to be made in calculating the necessary strength of my Local Audit Department, I shall be able to conduct special audits only to the detriment of my current work, which will fall into arrears in proportion to the time actually taken in conducting special audits. If on the other hand provision for the conduct of special audits is made in calculating the strength of my permanent establishment, the whole work of the Department should be kept up to date, and in the unlikely event that such provision should at any time prove to be excessive, the time saved can be usefully employed as explained in paragraph 11 below. The statement attached will shew 570 days have been occupied during the last two years in the conduct of special audits, *i.e.*, the time of one auditor has been fully taken up for over 2 years to the exclusion of all other work. I should therefore submit that 250 days should be added to the total number of days arrived at in paragraph 7 above, as actual experience has shewn this provision to be in keeping with actual requirements. In this connection I would, however, invite your attention to paragraph 6 of your letter No. 1790-E-103-12, dated the 6th September 1912.

9. If you are prepared to accept my method of calculating the time necessary for the audit of the Local Accounts in this Province, the net result will be as follows:—

| | | | | | |
|---|-----|-----|-----|-----|-------|
| Days required— <i>vide</i> paragraph 7 | ... | ... | ... | ... | 2,022 |
| Days required— <i>Vide</i> paragraph 8 | ... | ... | ... | ... | 250 |
| Total | ... | ... | ... | ... | 2,272 |
| Reduce by 33 per cent. to arrive at the time required by Auditor with an Assistant (<i>vide</i> paragraph 2 of Enclosure No. 1.) | ... | ... | ... | ... | 757 |
| Total | ... | ... | ... | ... | 1,515 |

Dividing this figure by 250 (*vide* paragraph 5 of my letter No. L.A.-126, dated the 9th July 1912) we obtain the number of audit circles to be manned by an auditor with an assistant, *i.e.*, 6 circles. The total number of men required will therefore be as follows:—

| | | | | | |
|---|-----|-----|-----|-----|----|
| District Auditors and Assistants | ... | ... | ... | ... | 12 |
| Headquarters (<i>vide</i> paragraph 5 of your letter No. 1627-E-103-12, dated the 13th August 1912). | ... | ... | ... | ... | 3 |
| Leave Reserve 13 per cent, <i>vide</i> paragraph 5 of your letter quoted above | ... | ... | ... | ... | 2 |
| Total | ... | ... | ... | ... | 17 |

I consider this numerical strength to be indispensably necessary for the prompt and efficient discharge of the work of my Local Audit Department, and I trust I have succeeded in showing that with a smaller staff the work cannot be kept up to date. I would take the opportunity to invite your attention to an office note by the Deputy Accountant-General, Bihar and Orissa, dated the 10th April 1912 (copy attached—Enclosure No. 4) from which it will appear that the permanent establishment now asked for by me is numerically equivalent

to that said to have been considered necessary by Mr. Tomkins, Accountant-General, Bengal, although Mr. Tomkins allowed for 7 circles of audit, with no provision for a leave reserve. From Circular No. L.A.-77, dated 30th January 1911 (Enclosure No. 7 attached), you will observe that in Bengal, the audits now conducted in Bihar and Orissa, were divided into 8 circles. Of these, 5 circles were manned by an auditor with an assistant, and the remaining 3 circles by auditors singlehanded. This is equivalent to 7 circles manned by auditors with their assistants. Including the auditor I am now asking for for "special audits" I am only pressing for 6 circles of audit. Before addressing you on the subject of the enormous volume of arrears of work which have accumulated, I will first deal with the question of the pay I now propose to ask for my Local Audit staff.

10. The establishment as now sanctioned is as follows :—

| | Rs. |
|-------------------------------|-----|
| 1 Auditor on | 250 |
| 2 Ditto | 200 |
| 2 Ditto | 150 |
| 1 Ditto | 125 |
| 1 Assistant Auditor on | 75 |
| 1 Ditto ditto | 60 |
| 2 Audit Clerks | 50 |
| 4 Ditto | 40 |
| 1 Typist | 40 |
| 4 Peons | 9 |
| 4 Do. | 8 |

Note.—An extra Auditor on Rs. 250 is being entertained against a vacancy on Rs. 40 (*vide* paragraph 2 of your letter No. $\frac{1790-E}{103-12}$, dated the 6th September 1912).

I would now ask that I may be permitted to apply for the following scale :—

| | Rs. |
|-------------------------------|-----|
| 2 Auditors on | 250 |
| 2 Ditto | 200 |
| 2 Ditto | 150 |
| 1 Auditor on | 125 |
| 1 Assistant Auditor on | 90 |
| 1 Ditto ditto | 75 |
| 3 Audit Clerks on | 50 |
| 4 Ditto | 40 |
| 1 Typist on | 40 |
| 4 Peons on | 9 |
| 5 Do. | 8 |

You will observe that I am asking for an increase in the pay of the Assistant Auditors. My reason is that these men are ordinarily in independent charge of audits in leave vacancies and I consider the existing scale of remuneration inadequate for men in independent charge, and it compares unfavourably with rates of pay granted in other Provinces. Moreover if my present proposals are sanctioned, it will enable me to form audit circles with district

* Head-quarters audits would occupy 993 days for a single auditor or 662 days for an auditor with an assistant, i.e., daily allowance for an auditor Rs. 2-8-0 per diem and for an audit clerk Re. 1 per diem = $662 \times 3\frac{1}{4}$ or Rs. 2,317.

headquarters, and this will result in an estimated saving to Government of Rs. 2,317* in travelling allowance and a corresponding reduction in the existing emoluments drawn by the district staff.

This loss to the district staff, in conjunction with the dissatisfaction now felt with the existing pay, will, I fear, result in the resignation of at least one of the men whose services I do not desire to lose, and will militate against the recruitment of desirable men, unless the scale of pay is made more attractive. In addition to the above, I would also solicit your permission to apply for a local allowance to head-quarters employes at 30 per cent. of their pay, subject to a minimum of Rs. 15 per mensem. Service at head-quarters is considered a hardship, on account of the extra cost of living in Ranchi and the loss of daily allowance. I am not in a position to change the men turn and turn about without disorganising the work at head-quarters. My Local Audit Superintendent is in the lowest grade of auditors on Rs. 125 per mensem and has repeatedly applied to be sent out into the Districts. I am, however, unable to meet his request as he is the only man at present in the Local Audit Department who is at all fitted for the post of Superintendent; and it seems inequitable that he should suffer pecuniary loss by reason that none of his seniors are fitted for the post. No case of hardship could be admitted if the Superintendent were invariably the senior auditor in the Department, but for reasons given in paragraph 5 of my letter No. L.A.-186, dated the 20th August 1912, I do not think it should be laid down that the post of Superintendent must necessarily be held by the senior auditor. I am also asking for an increase of one to the existing scale of peons. In my opinion one peon should be allotted to each auditor in independent charge, whether he be an Auditor or an Assistant auditor. I have recently had a complaint from an Assistant Auditor in charge of an independent audit, that not being provided with a peon, he has been

obliged to pay a man out of his own pocket for doing the work required of an office peon. I would therefore ask for six peons, *i.e.*, one peon for each audit circle, in addition to the Examiner's orderlies and Head office peon.

11. I must now address you in connection with the arrears of work which have reached alarming proportions. I am unable to say why this matter has not been touched upon by my predecessor when dealing with the question of the *permanent* staff; but can only assume that the full extent of the crushing *arrears of work, inherited from Bengal*, was not brought prominently to his notice. Statement attached (Enclosure 6) will show the arrears made over by Bengal, and the existing state of arrears, from which you will see that the arrears received from Bengal are represented by 2,399 working days for one auditor. My establishment not having been adequate to cope even with the current work, these arrears have increased to an amount represented by 2,757 working days for one auditor. To wipe off these arrears of work, it would require the work of 7 trained auditors, with assistants, for one complete year, *i.e.*, $2,757 \div 375$ (one year's work for an auditor with assistant calculated at $250 + \frac{1}{2}$ *vide* Enclosure No. 1 and also paragraph 5 of my letter No. L.A.-126, dated the 9th July 1912). Even if it were considered desirable to sanction so large a temporary establishment to work off the arrears, I doubt if qualified men would be forthcoming, and the calculations are fixed on the assumption that the men employed are trained auditors. I would, therefore, suggest that I may be permitted to apply for a temporary establishment of 3 auditors, 3 audit clerks and 3 peons, at Rs. 150 per mensem, Rs. 50 per mensem, and Rs. 8 per mensem, respectively, to be entertained for one year in the first instance. If one man is sanctioned for the conduct of special audits, in the event of the whole of his time not being occupied, he could, whenever available, be employed in assisting the temporary establishment (*vide* paragraph 8 above). To work off the arrears of work has become a matter of pressing importance, and in some cases where auditors have worked off audits heavily in arrears, I have received strongly expressed complaints from the local authorities concerned, that by reason of the audit having fallen into arrears, the long visitation by the auditors has thoroughly dislocated the work in the Local office, and requesting me to arrange to have the audit conducted with greater regularity in future. Such protests have received the support of the Divisional Commissioners. In the case of the Roserah Municipality where an embezzlement occurred in 1911-13, the District Magistrate, in his report, considered the Local Audit Department largely to blame for the fraud, by reason of the audit having fallen heavily into arrears. However unreasonable this view may be, there can be no doubt that the majority of District Officers look to the Audit Department to overhaul the accounts under their control, at regular intervals, and I think it essential that local accounts should be audited with regularity.

Once the existing arrears have been worked off, on no account should a relapse to the present state of affairs be permitted, and I trust that you will agree in thinking that to secure this object my present demands are not excessive.

[Enclosure No. 7.]

CIRCULAR No. $\frac{L.A.}{77}$

It is intended to reorganize the mufassil circles of audit from 1st April 1911.

There will be 15 circles, of which 13 will be under Auditors and two under Assistant Auditors. One Assistant Auditor and eight Audit Clerks will help in the nine heaviest circles.

Superintendent will have one assistant auditor and two audit clerks as his regular office staff. One assistant auditor and one audit clerk will be available to supply leave vacancies lasting more than one month; when not so employed, they will either be attached temporarily to a circle, or will help in office.

The circles will be numbered as follows:—

- | | |
|----------------|------------------|
| 1. Arrah. | 8. Howrah. |
| 2. Bhagalpur. | 9. Jessore. |
| 3. Burdwan. | 10. Krishnagar. |
| 4. Cuttack. | 11. Midnapore. |
| 5. Darjeeling. | 12. Monghyr. |
| 6. Gaya. | 13. Muzaffarpur. |
| 7. Hathwa. | 14. Patna. |
| | 15. Ranchi. |

In the heaviest circles help will be given by audit clerks.

When possible, every endeavour has been made to allow plenty of time for each audit, and except in the rarest cases these times are not to be exceeded; neither is the order of the accounts to be changed without the Examiner's orders.

The period by which audits are to be finished allows a reasonable time for travelling on week days and working days only. If auditors choose to travel on Sundays or holidays, they will have longer time in which to finish their work. If it is found that the ordinary office hours of 11 to 5 are likely to be insufficient, auditors must write to the Examiner at once, who will endeavour to have the office open earlier and closed later.

Auditors must work very hard in 1911-12, in order to clear up the arrears which they have allowed to accumulate. It should be possible to make arrangements for 1912-13 which will enable auditors to take privilege leave regularly; but this will not be attempted

till the accounts are all audited to date. Leave can therefore only be given very sparingly in 1911-1912. Casual leave will not be allowed to interfere with the programme in any way; privilege leave will only be given if the auditor can show that the whole of his programme will be done by 31st March, allowing for the leave. Privilege leave vacancies for one month or less will not be filled by transfers. The following list shows the circles to which auditors, assistant auditors and audit clerks will be posted on 1st April 1911. Where this involves a transfer, arrangements must be made before 31st March 1911 to enable work to begin punctually on 1st April 1911, unless the programme for 1910-11 allows a few days to overlap into 1911-1912.

| | Auditors. | Circles. | Office. |
|--------|---|--|------------------------|
| I. | Haridas Ghosh ... | Muzaffarpur. | |
| | Naraindas Boral ... | Burdwan. | |
| | Manmatha Chatterji ... | Patna. | |
| II. | Santosh Prasad Mukerji ... | Howrah. | |
| | Amrita Lal Maitra ... | (Reserve, on leave.) | |
| | Haricharan Ghoshal ... | Hathwa. | |
| | Bhupendra Narain Chowdhuri ... | Darjeeling. | |
| | Kumud Lal Chowdhuri ... | Arrah. | |
| III. | Bipin Behari Basu ... | Bhagalpur. | |
| | Tripada Nath Bhattacharyya ... | Gaya. | |
| | Moti Lal Rai ... | Jessore. | |
| | Ganesh Chunder Dutta ... | Krishnagar. | |
| | Brindaban Rai Chowdhuri ... | Cuttack. | |
| Assts. | Narendranath Batavyal ... | Midnapore. | |
| | Sarat Chunder Bhattacharji ... | Ranchi. | |
| | Chandi Charan Bose ... | Monghyr (supplying vacancy). | |
| | Atul Chander Banerji ... | ... | Office. |
| | Bhupendra Nath Sarkar ... | Bhagalpur (temporarily to be detached if necessary to supply a vacancy). | |
| | Audit clerks Harendra Krishna Mitra ... | ... | Office. |
| | Ram Chunder Dass ... | Cuttack. | |
| | Chhail Behari Lal Varma ... | Howrah (temporary). | |
| | Nripendra Nath Mitra ... | Ranchi (will be detached if necessary to supply a vacancy). | |
| | Jnanendra Krishna Biswas ... | Muzaffarpur. | |
| | Debnarayan Banerji ... | Darjeeling. | |
| | Amarnath Dey ... | Burdwan. | |
| | Khitish Chunder Sanyal ... | Gaya. | |
| | Dinesh Chunder Banerji ... | Krishnagar (temporary). | |
| | Nanilal Ghosh ... | Monghyr. | |
| | Sideswar Ghosal ... | ... | Office. |
| | Ganesh Chunder Ghose ... | ... | Office Superintendent. |

CALCUTTA;
The 30th January 1911.

RICHARD WATERFIELD,
Examineer of Local Accounts, Bengal.

[No. 10.]

No. 4378F., dated Ranchi, the 8th April 1914.

From—P. C. TALLENTS, 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. L. A.-8-872., dated the 14th March 1914, and its enclosures, I am directed to say that the Lieutenant-Governor in Council is pleased to sanction the revision of the permanent ministerial and menial establishment of the Local Audit Department of your office as shown in the Proposition Statement received with your letter, a copy of which is sent herewith for record in your office.

2. Government are also pleased to sanction the employment as a temporary measure for one year of the establishment consisting of three Local Auditors on Rs. 150 each, three Audit Clerks on Rs. 50 each and three Peons on Rs. 8 each per mensem to deal with the arrears of work that have accumulated in that Department.

3. I am to request that a re-appropriation statement may be submitted to Government showing how it is proposed to meet the extra charge.

B. & O. G. P. (F. & M. Progs.) No. 224-10+17-13-10-1914.

11
REFERENCES TO FORMER CASES.

File $\frac{\text{Est.}}{89}$ of 1912. Miscellaneous "A," November, Nos. 1—3.

" $\frac{\text{Est.}}{18}$ of 1914. Miscellaneous "B," March, Nos. 30—33.

Financial. Deposit "A," April 1914, No. 16.

REFERENCE TO LATER CASES.

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KEEP-WITH:

Notes and Orders—(printed).