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MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No.

319

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
30th April 1862.*

No. 103. Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 31st March 1862, No. 2,405.

From the Military Finance Department, to the Secretary to the Government of India, Financial Department, No. 6,731a, dated Calcutta, 28th February 1862.

We have the honor to state that the approaching transfer of the business of the Sub-Treasurer to the Bank of Bengal, and the probability of a like arrangement in Madras, induced us to enquire from the Military Accountant, Fort William, and Madras, whether any change will be necessary in the present process with regard to the execution and custody of Security Bonds of disbursing Officers, and the payment of interest on the Government Securities lodged by them.

2. The practice in the two Presidencies is not alike. In Bengal, the Sub-Treasurer does not part with the Government Securities till their final surrender, on cancelment of the Pay Master's Bond; he realizes the interest on them, and remits it to the Pay Master on application. In Madras, the Government Securities are withdrawn periodically by the Military Accountant (under countersignature, now, of the Controller) for the purpose of realizing the interest from the Accountant General's Department; that done, they are restored to the Sub-Treasurer. The Bengal practice is more convenient, and on the transfer of the business of the Sub-Treasurer to the Bank, the Secretary to the Bank will doubtless realize the interest on behalf of the depositor of the Securities.

3. With respect to the execution of Security Bonds, the practice in Madras appears more convenient than that in Bengal, inasmuch as it does not involve the Government in executive duties which can well be performed by its Officers in the Financial Department. In Bengal, every tender of a Security is submitted for the sanction of Government, whose decision generally, we may say invariably, confirms the recommendation of the Military Accountant. The Security Bond on execution is submitted by the Military Accountant to the Government, and is transmitted by the latter to the Sub-Treasurer. The return of the Securities on cancelment of the Bond proceeds in the same routine, viz., the sanction of Government to their return is accorded, as a matter of course, on the Military Accountant's report that there are no demands against the Pay Master.

4. In Madras, on the other hand, the decision on the sufficiency of the Security, the transfer of the Bond and Government Securities to the Sub-Treasurer, and the return of both to the depositor, on cancelment of his Bond, are arranged by the Military Accountant under the orders of the Controller, without troubling Government regarding such details.

5. We would suggest, that the Controllers of Military Finance, Bengal and Bombay, be empowered to dispose of all business connected with Security Bonds of disbursing Officers, according to the practice obtaining in Madras.

No. 1,556, FINANCIAL DEPARTMENT, FORT WILLIAM, THE 10TH MARCH 1862.

Forwarded to the Accountant General to the Government of India, for early report. Original paper to be returned.

REPORT of the Auditor General of India No. 1,765, dated 13th March 1862, on Financial Docket No. 1,556, dated 10th March 1862.

The Auditor General has the honor to report that he sees no objection to the suggestion made by the Military Finance Department in their letter, No. 6,731a, dated 28th February 1862, (forwarded under Financial Department Docket, No. 1,556, dated 10th instant) to invest the Controllers of Military Finance, Bengal and Bombay, with power to dispose of all business connected with Security Bonds of disbursing Officers in the Military Department under those Governments according to the practice obtaining in Madras as described in the letter quoted.

The original papers are herewith returned as requested.

*Proceedings of the Madras Government, Financial Department,
30th April 1862.*

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 31ST MARCH 1862.

RESOLUTION.—His Excellency the Governor General in Council is pleased to approve of the above suggestion of the Military Finance Department.

A Copy to the Military Department.

" to the Military Finance Department.

" to the Government of Bombay.

" to the Government of Madras.

" to the Accountant General, Government of India.

(A true Extract.)

(Signed) E. DRUMMOND

Offg. Secretary to the Government of India.

No. 104.

ORDER THEREON, 30th April 1862, No. 319.

Communicated to the Military Department.

(Signed) T. PYCROFT,

Chief Secretary.

No. 2405

EXTRACT from the Proceedings of the Government of India, in the Financial Department, d. 31st March 1862.

From the Military Finance Department, to the Secretary to the Government of India, Financial Department, No. 6731a, d., Calcutta, 28th February 1862.

SIR,

We have the honor to state that the approaching transfer of the business of the Sub-Treasurer to the Bank of Bengal, and the probability of a like arrangement in Madras, induced us to enquire from the Military Accountant, Fort William, and Madras, whether any change will be necessary in the present process with regard to the execution and custody of Security Bonds of disbursing officers, and the payment of interest on the Government Securities lodged by them.

2. The practice in the two Presidencies is not alike. In Bengal, the Sub-Treasurer does not part with the Government Securities till their final surrender, on cancelment of the Pay Master's bond; he realizes the interest on them, and remits it to the Pay Master on application. In Madras, the Government Securities are withdrawn periodically by the Military Accountant (under countersignature, now, of the Controller) for the purpose of realizing the interest from the Accountant General's Department; that done, they are restored to the Sub-Treasurer. The Bengal practice is more convenient, and on the transfer of the business of the Sub-Treasurer to the Bank, the Secretary to the Bank will doubtless realize the interest on behalf of the depositor of the Securities.

3. With respect to the execution of Security Bonds, the practice in Madras appears more convenient than that in Bengal, inasmuch as it does not involve the Government in executive duties which can well be performed by its officers in the Financial Department. In Bengal, every tender of a Security is submitted for the sanction of Government, whose decision generally, we may say invariably, confirms the recommendation of the Military Accountant. The Security Bond on execution is submitted by the Military Accountant to the Government, and is transmitted by the latter to the Sub-Treasurer. The return of the Securities on cancelment of the Bond proceeds in the same routine, viz., the sanction of Government to their return is accorded, as a matter of course, on the Military Accountant's report that there are no demands against the Pay Master.

4. In Madras, on the other hand, the decision on the sufficiency of the Security, the transfer of the Bond and Government Securities to the Sub-Treasurer, and the return of both to the depositor, on cancelment of his Bond, are arranged by the Military Accountant under the orders of the Controller, without troubling Government regarding such details.

5. We would suggest, that the Controllers of Military Finance, Bengal and Bombay, be empowered to dispose of all business connected with Security Bonds of disbursing officers, according to the practice obtaining in Madras.

No. 1556, FINANCIAL DEPARTMENT, FORT WILLIAM, THE 10TH MARCH 1862.

Forwarded to the Accountant General to the Government of India, for early report. Original paper to be returned.

REPORT of the Auditor General of India, No. 1765, d. 13th March 1862, on Financial Docket, No. 1556, dated 10th March 1862.

The Auditor General has the honor to report, that he sees no objection to the suggestion made by the Military Finance Department in their letter, No. 6731a, dated 28th February 1862, (forwarded under Financial Department Docket, No. 1556, dated 10th instant) to invest the Controllers of Military Finance, Bengal and Bombay, with power to dispose of all business connected with Security Bonds of disbursing officers in the Military Department under these Governments according to the practice obtaining in Madras as described in the letter quoted.

The original papers are herewith returned as requested.

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 31ST MARCH 1862.

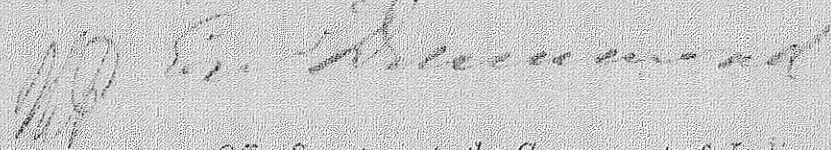
Resolution.

His Excellency the Governor General in Council is pleased to approve of the above suggestion of the Military Finance Department.

A copy to the Military Department.

- " to the Military Finance Department.
- " to the Government of Bombay.
- " to the Government of Madras.
- " to the Accountant General, Government of India.

(A true Extract)



Offg. Secretary to the Government of India.

July 9. Aug.

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April 1862 before

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The 17th Decr 1845.
Genl A. Smith.
H. H. Mass.

St. John's Church, 162
1720-1740

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Order Received 29 April 1862 No 314

Communicated to
the Military Department.

to the Military and Naval Academy

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