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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 184 Press / Mis.

59-60

Dated 22-3 18 64.

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59-60

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department, 22nd March 1864.

No. 59. Read the following letter from J. L. LUSHINGTON, Esq., Acting Accountant General; to the Chief Secretary to Government, Fort Saint George, dated 19th March 1864, No. 434.

Resource Department.

I have the honor to forward copy of a letter received from the Financial Secretary to the Government of India, and to report that Statements are now being prepared in this office to ascertain the monthly receipts and disbursements of each Collectorate, exclusive of supply bills. The balance will of course be the amount available for remittance to the General Treasury.

2. It appears to me, however, that it would not be expedient to clear every Transmitting Treasury too much. I propose, therefore, so soon as the Statements of Receipts and Disbursements are prepared, to submit a copy thereof to the Local Government as well as to the Government of India, with a column to show what surplus amount should, in my opinion, be kept in each Treasury to meet unforeseen contingencies.

3. The surplus funds of the Provincial Treasuries are, as you are aware, drawn to the General Treasury by means of supply bills and specie remittances. The former is the more economical way; but as the demand for supply bills is uncertain, the withdrawal of the funds is gradual, and sometimes slow, so that large balances frequently accumulate in the Provincial Treasuries. If I rightly understand the instructions of the Financial Secretary, these accumulations will no longer be allowed, but must be brought to the General Treasury by the more certain but expensive mode of specie remittances.

From E. H. LUSHINGTON, Esq., Secretary to the Government of India, in the Financial Department; to the Deputy Auditor and Accountant General at Madras, dated Fort William, the 24th February 1864, Circular No. 1017.

It is the desire of the Governor General in Council that existing arrangements should be scrutinized and revised, so as to work the public expenditure with the smallest possible cash balance.

2. For this purpose the Treasuries should be divided into three classes:—

1st.—"General" Treasuries, that is, the Treasuries of the Presidency Cities of Calcutta, Madras, and Bombay.

2nd.—"Receiving" Treasuries, such as Meerut, Bangalore, and Poonah, where a considerable expenditure has to be provided for in excess of the revenue of the District; and

3rd.—"Transmitting" Treasuries, where the revenue is in excess of the local requirements and ought to be forwarded, as soon as practicable, to one or other of the preceding Treasuries.

3. Bearing this distinction in mind, you will carefully consider the receipts and expenditure of all the Treasuries within your Province, and report what is the lowest amount which it is absolutely necessary to retain in the two last mentioned classes of Treasuries, and what is the difference between this amount and that which has heretofore been kept in such Treasuries.

4. The Governor General in Council is aware that these conditions must be, to some extent, modified by the periods of the year at which the principal instalments of the revenue are received, by the facilities for making remittances, and by other local causes; but he confidently relies upon the object he has in view, *of keeping the balances in the Provincial Treasuries as low as possible, and promptly remitting all surplus funds to the General Treasuries, in order to their being utilized for the public service*, being carefully worked up to according to the circumstances of each Province.

(True Copy.)

(Signed) J. MACKEY,

Ag. 1st Asst. Accountant General.

Proceedings of the Madras Government, Financial Department,
22nd March 1864.

No. 60. ORDER THEREON, 22nd March 1864, No. 184.

The Governor in Council approves of the course proposed in paragraph 2 of the foregoing letter.

(True Extract.)

Chief Secretary.

To the Acting Accountant General.

Exd, J. Tulloch.

CIRCULAR No. 1017 of 1864.

FROM THE SECRETARY TO THE GOVERNMENT OF INDIA,
IN THE FINANCIAL DEPARTMENT;

TO THE DEPUTY AUDITOR AND ACCOUNTANT GENERAL
AT Madras

Fort William, ~~*Council Chamber,*~~ *the 24th February* 1864.

Financial Department.

SIR,

It is the desire of the Governor General in Council that existing arrangements should be scrutinized and revised, so as to work the public expenditure with the smallest possible Cash Balance.

2. For this purpose, the Treasuries should be divided into three classes :—

1st.—"General" Treasuries—that is, the Treasuries of the Presidency Cities of Calcutta, Madras, and Bombay.

2nd.—"Receiving" Treasuries, such as Meerut, Bangalore, and Poonah, where a considerable expenditure has to be provided for, in excess of the Revenue of the district ; and

3rd.—"Transmitting" Treasuries, where the revenue is in excess of the local requirements and ought to be forwarded, as soon as practicable, to one or other of the preceding Treasuries.

3. Bearing this distinction in mind, you will carefully consider the receipts and expenditure of all the Treasuries within your Province, and report what is the lowest amount which it is absolutely necessary to retain in the two last mentioned classes of Treasuries, and what is the difference between this amount and that which has heretofore been kept in such Treasuries.

4. The Governor General in Council is aware that these conditions must be, to some extent, modified by the periods of the year at which the principal instalments of the revenue are received, by the facilities for making remittances, and by other local causes ; but he confidently relies upon the object he has in view, *of keeping the Balances in the Provincial Treasuries as low as possible, and promptly remitting all surplus funds to the General Treasuries, in order to their being utilized for the public service,* being carefully worked up to according to the circumstances of each Province.

I have the honor to be,

SIR,

Your most obedient servant,

/Signed/ E. H. LUSHINGTON,

Secretary to the Government of India.

[Exd. N. C. Coar.]

"True Copy"

Asst. to the Assistant Accountant General

Revenue Department

No. 1134

Fort Saint George
Accountant General's Office
19th March 1864

From
J. L. Lushington Esquire
Acting Accountant General

To The Chief Secretary
to Government
Fort Saint George

Sir,

I have the honor to forward a copy of a letter received from the Financial Secretary to the Government of India and to request that Statements are now being prepared in this Office, to ascertain the monthly Receipts and Disbursements of each Collectorate exclusive of Supply Bills. The balance will of course be the Amount available for remittance to the General Treasury.

2. It appears to me however, that it would not be expedient to clear every Remitting Treasury too much, I propose therefore, so soon as the Statements of Receipts and Disbursements are prepared, to submit a copy thereof to the Local Government as well as to the Government of India, with a column to shew, what surplus Amount should, in my opinion be, kept in each Treasury to meet unforeseen

Contingencies

Para 3.

Contingencies. The surplus funds of the Provincial Treasuries are, as you are aware, drawn to the General Treasury by means of Supply Bills and Specie Remittances. The former is the more economical way, but as the demand for Supply Bills is uncertain, the with-drawal of the Funds is gradual, and sometimes slow, so that large Balances frequently accumulate in the Provincial Treasuries. If I rightly understand the instructions of the Financial Secretary, these accumulations will no longer be allowed but must be brought to the General Treasury by the more certain but expensive mode of Specie Remittances.

I have the honor to be
Sir
Your most obedient Servant
J. L. Armstrong
Ag Accountt. General

C.L.

Pd. on the warrant

Financial 1864 Dep't

(22)

From

The Dy Accountt General

Fort St Joseph

Dated 19 March 1864.

Rec'd 21 March 1864.

No 184.

Melbourne No 1.

No 170

Commercial

Transmits copy of a Circular letter from the Govt of India relative to the keeping of balances in the Provincial Treasuries as low as possible & remitting surplus funds to the General Treasuries, and states that he proposes to add a column in the Statement of Receipts & Disbursements, showing what surplus funds shd be kept in each Treasury to meet unforeseen contingencies.

With an order

59060

Order 22d March 1864 No 184.

The Governor in Council approves of the course proposed in paragraph 2 of the foregoing letter.

To The Dy Acct General dep. 31/3/64

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