M.R.O. 1—77,006—8-6-37.

(1) Number of pages 10.

(2) Date of repair 10-9-39

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Fin Revolt DEPARTMENT.

G.O. No. 380 Press / Mis.

31-32

Dated 16-8- 1867.

31-32

Not to be folded or roughly handled

No. 31. Read the following letter from the Secretary to the Government of India, to the Chief Secretary to Government, Fort Saint George; dated Simla, 22nd July 1867, No. 1532.

In reply to your letter, No. 240, dated 5th ultimo, I am directed to inform you that the facilities for remittances now afforded by Government, as described in the correspondence quoted in the margin, of which a copy is herewith transmitted, are as much as can reasonably be expected.

Financial Resolution, No. 2018, dated 19th April 1867, and connected papers.
Letter, No. 465, dated 31st May 1867, and connected papers.
Letter, No. 492, dated 31st May 1867, and connected papers.

2. But His Excellency in Council does not see sufficient reason why the Government should concern itself with the mode in which persons in the Public Service effect their remittances.

3. I am accordingly directed to request that the prohibition in the Madras Presidency against the purchase by public servants of bills in the local market may be withdrawn.

FINANCIAL DEPARTMENT PROCEEDINGS, APRIL, 1867.

ACCOUNTS.

Extension of the amount of Money Order.

Acct. Ab., October 1866, No. 255.

[No. 32.] Extract from the Proceedings of the Government of Bombay, in the Financial Department, dated 21st February 1867, No. 202.

Read the following papers :—

From J. W. HADOW, Esq., Acting Revenue Commissioner, S. D., to the Chief Secretary to the Government of Bombay; dated 6th February 1867, No. 448.

I have the honor to beg the attention of Government to the Notification of the Accountant General, No. 52, dated the 30th ultimo, published at page 426 of the *Government Gazette*, dated the 31st idem, on the subject of the introduction into this Presidency of the Money Order system in supersession of the rules relating to the issue of Privilege Remittances.

2. In respectfully soliciting the attention of Government to the fact that this Notification, which is of so much importance, was not issued until within a day or two of the date fixed for the introduction throughout the Presidency of a system so novel, I venture to submit a few observations as regards the effect of the new arrangement upon the members of this Office, in the hope that they will receive the favorable consideration of His Excellency the Governor in Council.

3. According to the new system, as carried out at Dharwar, where I was encamped on the 1st instant, no Money Order could be obtained by any individual for a larger sum than Rupees 100, and the total issue of such Orders from the Government Treasury per day was limited to a sum of Rupees 500 only.

4. Had there not been a Branch of the Bank of Bombay at Dharwar, most of the members of this Establishment could not have remitted any money to their families at Poonah and elsewhere, without having had to wait for several days together, and to have done this would have necessitated my making an unduly long stay at Dharwar for no other immediate object.

5. On the other hand, had I not been encamped at Dharwar on that date, none of the members of this Establishment would have been able to make any remittances at all to their families, and in this case the distress to them and their families would have been extreme.

6. This state of matters might result at any period during my tour, as my movements cannot be so timed as to admit of my reaching the Head Quarters of a Collectorate on the 1st of every month, for the sole purpose of drawing pay and allowing the members of my Office to make their usual remittances.

7. Paragraph 2 of the Notification makes an exception in favor of the issue of Privilege Remittances to Officers of the Military Department, and I would respectfully submit that, in this matter, the case of the members of this Establishment is entitled to equal, if not greater, consideration at the hands of Government.

8. Under these circumstances, I beg that Government will be pleased to declare this Office exempt from the operation of the provisions of the Notification, and that I may be favored with the decision of Government to this effect at an early date.

9. I beg to submit this letter through the Accountant General, whose opinion will, no doubt, be required by Government before disposing of the proposal submitted in it.

MEMO.—By J. L. LUSHINGTON, Esq., Accountant General, Bombay, dated 14th February 1867, No. 4864.

I have the honor to report, with reference to the Acting Revenue Commissioner's letter to Government, No. 448, of the 6th instant, that, so long ago as June last, the Government of India decided on restricting the issue of Privilege Remittance Transfer Receipts to Officers in the Civil Department on the General Treasury only—*vide* my Notification, No. 7, published in the *Government Gazette* of the 21st June.

On an appeal from the Revenue Commissioner, Southern Division, the Government of India sanctioned the continuance of the issue of Privilege Remittances as before, pending the introduction of the Money Order system into this Presidency—*vide* letter No. 3158, dated 31st October 1866, from Financial Secretary, Government of India, to the Local Government, copies of which were forwarded to the several Commissioners and Officers concerned.

On the 30th October last, the Government of India refused to allow the grant of any Privilege Remittance Transfer Receipts, in consequence of Currency Notes being available for remittances, and the introduction of the Money Order Offices. This Resolution of the Government of India was republished by Government in the *Government Gazette*, dated 15th November, but the Commissioner's Establishment was allowed, as a matter of grace, to continue to draw Privilege Remittances on Mofussil Treasuries until the Money Order system came into operation.

A preparatory Notification, dated 8th December, was published in the *Government Gazette* by the Controller of Money Orders, and a subsequent Notification appeared in the issue of the 24th ultimo, at page 319, intimating that his Office and the Agencies specified would open on the 1st February. I may here remark that advertisements appeared in several of the local papers, both English and Vernacular, for a fortnight previous to the opening of the Office.

My Notification of the 30th ultimo was, therefore, merely a reminder, and it appears to me, after the foregoing publicity, that Mr. Hadow can hardly plead that the withdrawal of the issue of Privilege Remittance Transfer Receipts was a new subject, or that timely notice had not been given.

With regard to the 3rd paragraph of the Acting Commissioner's letter, I would observe that it rests with Collectors to determine the amount to be issued by the Money Order Agents in one day—*vide* Rule 4 of the "Rules for the guidance of Money Order Officers, &c."—and also to determine whether several orders of the value of Rupees 100 will be granted to one individual.

It is for Government to decide as to the measures which should be taken for the removal of the inconvenience complained of by the Commissioner, as this Department is only authorized to suspend the drawings of the Money Order Office when they are likely to affect the Government balances at any particular Treasury.

It should, however, be borne in mind that the Money Order system has been introduced for the purpose of facilitating the transmission of small sums only, and, while the amount to be issued is left to the discretion of the Collectors, care should be taken that inconvenience is not caused by an over-issue.

With regard to the 7th and 8th paragraphs of Mr. Hadow's letter, I have the honor to state that, as the Government of India have (as above quoted) ruled that the issue of these Receipts to the Civil Department shall cease, the sanction of that authority will be necessary before an exception can be made in favor of any Establishment.

RESOLUTION.—To be submitted for the consideration and orders of the Government of India with an expression of opinion on the part of this Government that there is much foundation forth complaint made by the Revenue Commissioner.

ORDERED that copies of the above be forwarded to—
The Revenue Commissioner, S. D.
The Accountant General.

No. 203, dated 21st February 1867.
Endorsed by the Govt. of Bombay.
Submitted to the Government of India.

[No. 33.] From F. S. CHAPMAN, Esq., Chief Secretary to the Government of Bombay, to the Secretary to the Government of India, Financial Department; dated 2nd March 1867, No. 261.

I am directed to point out the serious objections that result from the restriction contained in the Rules regarding the new Money Order system, by which Government Officials, in common with others, can only remit a sum of Rs. 100 in one Order.

2. Officers up-country in the receipt of high salaries are, as a rule, in the habit of remitting considerable sums every month; and, under the arrangements recently introduced, have no alternative but to do so through hoondies obtained from the local Shroffs.

3. This practice will naturally induce them to be constantly looking for the best rate of exchange, and will oblige them to keep their money in the hands of Native Bankers until such time as a favorable opportunity for remitting occurs.

4. His Excellency the Governor in Council considers it highly objectionable for Government Officers to have monetary dealings with private Bankers residing within their jurisdiction; and on this ground alone would suggest that the existing rules be so far altered as to allow of Officers remitting sums above Rupees 100, but not exceeding one month's pay, through the Government Treasury, as was usual before the introduction of the Money Order system.

[No. 34.] From E. H. LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, to the Comptroller General of Accounts; dated 15th March 1867, No. 1398.

Communication from the Government of Bombay, No. 203, dated 21st February 1867.
Do. do. No. 261, dated 2nd March 1867.

I am desired to forward, for report, the communications noted on the margin, which should be returned with your reply.

[No. 35.] From H. SANDEMAN, Esq., Officiating Comptroller General of Accounts, to the Secretary to the Government of India, Financial Department; dated 28th March 1867, No. 1355.

I have the honor to acknowledge the receipt of your letter, No. 1398, dated the 15th instant, forwarding, for report, two communications* from the Government of Bombay, representing the inconvenience arising to Government Officials from the introduction of the Money Order system, by which they can remit only Rupees 100 in one Order, the total issue being limited to Rupees 500 per diem.

* No. 203, dated 21st February 1867.
,, 261, dated 2nd March 1867.
(Herewith returned.)

2. In reply, I have the honor to state that the incovenience complained of may be met by ruling that Government Officials who had been allowed Privilege Remittance Transfer Receipts may be permitted to have Money Orders to the full extent to which they were allowed the Receipts in question, but no one Order to exceed Rupees 100 except in Bengal, where the maximum is Rupees 150.

3. No further modification of the rule seems necessary.

No. 2018, dated 19th April 1867.

[No. 36.] RESOLUTION.—*By the Government of India*, FINANCIAL DEPARTMENT.

Read—

An Extract from the Proceedings of the Government of Bombay, No. 203, dated 21st February 1867, representing the inconvenience to Government Officials in that Presidency from the substitution of Money Orders for Privilege Transfer Receipts.

Read also—

A letter No. 261, dated 2nd March 1867, from the Government of Bombay, pointing out the serious objections that result from the restriction contained in the rules regarding the new Money Order system, by which Government Officials in common with others can only remit a sum of Rupees 100 in one Order.

Read—

A report, No. 1355, dated 28th March 1867, from the Comptroller General of Accounts, proposing, with a view to obviate the inconvenience complained of, that Government Officials who had been allowed Privilege Remittance Transfer Receipts may be permitted to have Money Orders to the full extent to which they were allowed the Receipts, but that no one Order shall exceed Rupees 100, except in Bengal, where the maximum is Rupees 150.

RESOLUTION.—The Governor General in Council, on a review of all the circumstances of the case, is pleased to sanction the extension of the amount of each Money Order to 150 Rupees throughout India, and hopes that this extended accommodation, together with the Currency Notes which will be issued and cashed freely by Officers in charge of Treasuries, will render unnecessary a recurrence to the practice of privilege remittances.

ORDERED that a copy of the above be sent to the Government of Bombay and the Comptroller General of Accounts;

Also, that it be published in the *Gazette of India* for General information.

FINANCIAL DEPARTMENT PROCEEDINGS, JUNE, 1867.

ACCOUNTS.

Grant of Bills of Exchange to Officers in Civil employ.

[No. 43.] From H. SANDEMAN, Esq., Officiating Comptroller General of Accounts, to the Secretary to the Government of India, Financial Department; dated 8th April 1867, No. 33.

I have the honor to state that Rule 96 of the revised Rules for regulating Bills of Exchange, &c., provides that Bills of Exchange "at sight, and one per cent. premium, may be granted to Government Officers in civil employ in Bengal, on issue of pay, for sums above Rupees 150, to the extent of their monthly salary, on Calcutta."

2. The Accountant General, Bombay, having inquired in his letter, No. 5528, dated 26th ultimo, whether this rule may be extended to that Presidency, I beg to submit for the orders of Government, that, as the rule exists in Bengal, a similar indulgence should, in equity, be allowed in Madras and Bombay, and that, for such purposes, instead of supply bills, it would perhaps be preferable to grant Money Orders up to the limit of pay.

[No. 44.] From E. H. LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, to the Comptroller General of Accounts; dated 31st May 1867, No. 455.

In reply to your letter, No. 33, dated 8th April 1867, I am directed to inform you that the Governor General in Council is pleased to sanction the extension to Madras and Bombay of the rule now in force in Bengal, under which "Bills of Exchange at sight, and one per cent. premium, are granted to Government Officers in civil employ, on issue of pay, for sums above Rupees 150, to the extent of their monthly salary, on Calcutta."

ORDERED that a copy of the above be sent to the Governments and Accountants General, Madras and Bombay.

FINANCIAL DEPARTMENT PROCEEDINGS, JUNE, 1867.

ACCOUNTS.

Money Order to the extent of one month's pay not granted.

Accounts, Proceedings April 1867, Nos. 32 to 36.

[No. 45.] From F. S. CHAPMAN, Esq., Chief Secretary to the Government of Bombay, to the Secretary to the Government of India, Financial Department; dated 29th April 1867, No. 480.

In acknowledging the receipt of the Resolution of the Government of India, No. 2018, dated 17th instant, sanctioning the extension of the amount of each Money Order to Rupees (150) one hundred and fifty throughout India, I am directed to express the opinion of this Government that the modification, though excellent in itself, will not diminish the evils pointed out in my letter, No. 261, dated 2nd ultimo, and to request that Government Officials may be allowed the privilege of remitting by Money Order to the extent of one month's pay at a time.

[No. 46.] From E. H. LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, to the Chief Secretary to the Government of Bombay; dated 31st May 1867, No. 499.

I am directed to acknowledge the receipt of your letter, No. 480, of the 29th ultimo, requesting, with a view to "diminish the evils pointed out" in a previous letter, "that Government "Officials in Bombay, may be allowed the privilege of remitting by Money Order to the extent of "one month's pay at a time."

2. In reply, I am desired to state that by an Order, No. 455, dated 31st May 1867, which is being separately communicated to the Government of Bombay, Officers serving in the interior will be able to remit any portion of their salary to Bombay by a Bill of Exchange, for which one per cent. premium will be charged.

3. Furthermore, I am to observe that there is nothing in the administration of the Money Order system to prevent the grant of as many Orders of 150 Rupees each, or less, as a Public Officer may require, in order to remit the amount of his pay to another District.

4. These facilities, and the use of Currency Notes, provide so effectually for the convenience of Public Officers in making remittances, that any further relaxations of rule in their favor are unnecessary.

No. 32. ORDER THEREON, 16th August 1867, No. 380.

Resolved that the foregoing letter, and the papers received with it, be communicated to the Inspector General of Police, in reference to his letter, dated the 9th May 1867, No. 778, and that the following Notification be published in the *Fort Saint George Gazette*:—

NOTIFICATION.

Fort Saint George, 16th August 1867.

The Governor in Council directs that it be notified that under the facilities now afforded by the Money Order system, Bills of Exchange at sight, and one per cent. premium, are granted to Government Officers in civil employ, on issue of pay, for sums above Rupees 150, to the extent of their monthly salary, on Madras. Officers can make their own arrangements, if necessary, for remittances, by purchasing Bills of Exchange in the local market.

(By Order of the Governor in Council.)

Acting Chief Secretary.

To the Inspector General of Police.

,, Accountant General.

Exd. J. H. Burns.

Fin Dept

Notification

Fort St. George 16 Aug 1867

His Excellency in Council directs that it be notified that under the facilities now afforded by the money order system, Bills of Exchange, at sight, and one per cent premium are granted to Government Officers in Civil employ on issue of pay & allowances at rates not exceeding Rupees 150, to the extent of their monthly Salary, or Leaves. Post Officers can make their own arrangements for receiving & remitting by purchasing bills of Exchange in the local market.

By Order

No. 1532.

/9

From

E. H. LUSHINGTON, Esq.,
Secretary to the Government of India,

To

The Chief Secretary to the Government
Fort St. George

Simla, the 22d July 1867.

Sir,

In reply to your letter No. 240 dated 5th Ultimo I am directed to inform you that the facilities for remittances now afforded by Government as described in the correspondence quoted in the margin, of which a copy is herewith transmitted, are as much as can reasonably be expected.

Finl Resn No. 2018 D/19th April 67 and connected papers.
Letter No. 455 D/3rd May 1867 & connected papers
No. 1199 D/ Do. and connected papers

2 But His Excellency in Council does not see sufficient reason why the Government should concern itself with the mode in which persons in the Public service effect their remittances.

3 I am accordingly directed to request that the prohibition in the Madras Presidency against the purchase of public servants of bills in the local market may be withdrawn.

I have the honor to be
Sir
Your most Obedient Servant
E. H. Lushington
Secy. to the Government of India

Inserted 16th August 1867

R. A. D. 20/7

Rec: 5th June by 7-8

380.

Financial 1867 Dept

Recs: 16 Augt

Jamr
Copy Govt of India 3d Dept
No 1532

8/22 Jul
Ry 5 Aug

3 Enclosures

No 366

Requests that the prohibition in the Treaty against the purchase, by public Servants, of Bills on the local Treasuries may be withdrawn.

With an order.

8th Augt 1867 31.32

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Order - 16 August 1867 No 380

Resolved that the foregoing letter and the papers received with it, be communicated to the Inspector General of Police in reference to his letter dated the 9th May 1867 No 778 and that the following Notification be published in the Fort St. Geo Gazette for the information of the Inspector General of Police
- do - Director of
- do - Accountant General

Gazette 16/8

dispatched 22/8