

*Proceedings of the Madras Government, Financial Department,
19th September 1868.*

No. 54. Read the following letter from the Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, Fort Saint George; dated Simla, 19th August 1868, Circular No. 1818.

The Government of India having had under consideration the report of the Controller of the Money Order Office for the year 1867-68, would be glad to have opinions on the following points, with a view to the advancement of a plan which has already met with a considerable measure of success :—

1st.—Whether the Money Order system can be further extended; in other words, whether more offices for this purpose can be advantageously opened in addition to those already in existence. Such extension may be feasible owing to the number of treasuries, sudder and tehseel, in the interior of districts, the machinery being thus ready at hand.

2nd.—The present rate of percentage demanded for the issue of Money Orders now ranges from $1\frac{1}{2}$ to $1\frac{1}{4}$ per cent. Considering that this rate is so much higher than the ordinary rate of exchanges on hoondies, could it be advantageously lowered? In that case, would people be likely to make greater use of the Money Order Offices so that the loss in the percentage might be compensated by a greater issue of Money Orders?

3rd.—*Primâ facie*, it would appear that the greater the number of the Money Order Offices opened, the less would be the aggregate expense of control of each office. This is borne out by the fact that in Bengal alone, where there are 180 offices, the cost of each office is but Rupees 96-8-7; whilst in Bombay, where there are but 29 offices, the cost is Rupees 289-3-6; and in Madras, where there are 48 offices, Rupees 161-12-0.

4th.—The present limit in amount of a Money Order is from one Anna to Rupees 150. Would there be any great advantage in raising the highest limit to Rupees 250? it being borne in mind that the object of the Money Order system is *not* to interfere with the banking transactions of the country, but to give to the people of India a cheap and safe mode for the remittance to distant parts of small sums of money.

5th.—Is it desirable to raise the present commission of two Annas per cent. on the amount of orders issued and paid to the Money Order Agents? If so, what sum would be remunerative to them, and at the same time would entail no undue loss financially?

6th.—Would it be advisable to make any diminution on the second commission for a duplicate and renewed order? At present this charge is the same as on the issue of the first order.

7th.—Would not the Money Order system be more popular if commission were charged on a graduated scale according to distance? By the present practice, the commission charged for an order on a treasury five miles off is the same as that charged on a treasury 1,000 miles away.

8th.—A copy of the proposed rules for the guidance of Money Order Agents is herewith enclosed. Do any alterations, modifications, or additions suggest themselves?

2. I am to add that, in the consideration of this subject, it should be remembered that it is not only for Europeans that the Money Order system was instituted, but for the mass of the Natives in British India.

RULES

FOR THE GUIDANCE OF MONEY ORDER AGENTS IN TRANSACTING MONEY ORDER BUSINESS.

Regarding the issue and payment of Money Orders.

1. Requisition forms for Money Orders, in the English and Native languages, are obtainable on application at any Money Order Office, free of cost. When filled up, they must be filed in the Agent's Office for reference, if necessary.

Requisition Forms.

2. In cases of verbal applications made by illiterate persons, or when persons apply for orders by private chit or letter, or whenever a Requisition form is not used by the applicant, and

inconvenience may result from delay in sending a form to be filled up, the agent must first fill up a Requisition form before issuing the order.

3. No Money Order is to be issued, unless the applicant furnish, in the Requisition form, the surname and one initial or Christian name, or in the case of a Hindoo or Mahomedan, the name, family surname, caste or tribe, and parent age of the payee, together with the remitter's name and address for entry in the journal; and if the name of either party be tendered at greater length, it must be received and advised accordingly.

Particulars required for Money Order.

4. Should the applicant, however, insist upon taking out an order, although he is unable to furnish the requisite information as to the Christian name, caste, tribe, or parentage of the payee, an order may in that case be granted to him; but he should be distinctly informed that there may be difficulty and trouble in obtaining payment, and that the Money Order Department will not hold itself responsible for the payment being made to the proper party.

5. If the remitter or payee be a person having any titular rank or official designation, his title, rank, or official designation is sufficient; and if a firm, the usual name of such firm will suffice.

In the case of a titled person, or of a firm.

6. When the requisition for a Money Order has been carefully filled up, the particulars must first be entered in the journal, and then the corresponding order and advice must be prepared, and the date legibly stamped on both.

Agent's signature in full.

The signature of the issuing officer must be given in full to both the Money Order and its Advice.

7. No order is to contain a fractional part of an Anna.

8. The commission on a Money Order—

Commission on Money Orders.

For any sum not exceeding	Rs. 10	...	...	Rs. 0 2 0
" " above 10 and not exceeding	" 25	...	...	" 0 4 0
" " " 25	" 50	...	...	" 0 8 0
" " " 50	" 75	...	...	" 0 12 0
" " " 75	" 100	...	...	" 1 0 0
" " " 100	" 125	...	...	" 1 4 0
" " " 125	" 150	...	...	" 1 8 0
" " " 150	" 175	...	...	" 2 0 0
" " " 175	" 200	...	...	" 2 4 0
" " " 200	" 225	...	...	" 2 8 0
" " " 225	" 250	...	...	" 3 0 0

9. Commission on the issue of a duplicate, or transfer, or re-payment of an order, or alteration of name, is charged at the rate of half the commission received on the issue of the order.

Commission on issue of duplicate, transfer, re-payment, &c.

10. Money Order Agents receive a commission of two Annas per cent. on the total amount of orders issued and paid by them. The commission due is made up every three months, and

Commission paid to Agents.

paid to the agent on receipt of the Controller's advice.

11. No Order can be granted for more than Rupees 250. Persons applying for orders are not permitted to break the amounts for the purpose of evading the full payment of the stated fees.

Limit of amount of a Money Order.

12. In the event of any heavy demand for Money Orders, the Agent must be guided by the instructions of the Collector or Treasury Officer, who exercises his discretion as to the expediency of issuing beyond a certain amount.

Limit of daily issues.

13. The advice of every order must invariably be despatched to the office upon which it is drawn, by the post of the same day on which it is granted. As this is one of the most essential rules of the Money Order system, agents will be fined for any ascertained neglect of it.

Despatch of Letters of Advice.

14. When an order is granted for even Rupees, a line drawn, or the word "only," should be added after the amount expressed in words, so as to prevent any subsequent alteration of the order.

Orders for Rupees only.

15. If an error of any kind be committed in filling up a Money order, a new order must be made out, as no alterations or erasures are permitted. Every spoiled Money Order must be sent, with its advice, in the account in which it would have been entered had it been issued, endorsed with an explanation of the irregularity, and the words "not granted" must be inserted against the corresponding number in the journal of orders issued, and in the account furnished to the chief office. Care must be taken in separating an order from an advice, that neither be torn.

Errors in Money Orders.

16. An order once issued cannot be cancelled; and should re-payment, or transfer, or alteration of name be required, the remitter must apply to the chief office. Forms for such application will be supplied by any Money Order Agent free of cost. The agent must take care that he has always a supply of these forms on hand.

Orders must not be cancelled.

17. Advices on arrival must be carefully examined to see whether the relative orders are payable at the particular office, and whether they are otherwise regular. Advices from different stations should be kept distinct and arranged in separate bundles. Every advice on payment of the order to which it belongs must be stamped by the paying office.

Receipt of Advices.

18. When an order is presented for payment for which no advice has been received, or with which the advice does not agree as to number or amount, payment must be refused until the paying officer has communicated with the issuing agent, and the error or omission has been corrected or supplied.

Discrepancies between Orders and Advices.

19. When there is a trivial discrepancy between an order and its advice, or a slight mistake or irregularity in filling them up (for instance, if the issuing agent omits to stamp, date, or to sign either the order or the advice, or if there be a difference between the amount in figures and the amount expressed in words, or if the name of the payee be filled in as the remitter, and vice versa), the payment of the order, especially if it be presented by a person of known respectability and position, and the amount be small, must not be at once refused, but reference should be made to the Collector, or any Covenanted or Uncovenanted subordinate of the District Officer, who will use his discretion as to the payment of the order. Should he direct payment, he will initial the order as the agent's authority for paying it.

20. In all such cases, the agent will advise the Controller direct, forwarding the order and advice with the weekly accounts.

Omission to advise.

In cases of omission to advise, the irregularity must immediately be reported to the chief office by memorandum.

22. If a second advice should be required, owing to the first not having reached its destination, one of the "Second advice" forms must be used, and similar course must be taken when a duplicate advice is required in consequence of a mistake, either as to the number or amount stated in the original advice. In this case, however, the words "Corrected advice" must be written across the document.

Duplicate Advices.

*Proceedings of the Madras Government, Financial Department,
19th September 1868.*

23. When an order is presented for payment, the paying officer must first see that the date, and number, and amount entered on the order agree with those in the advice; that the signature of the payee be as full as the name given in the advice; and that the payee's titular rank or official designation, if he happens to have any, be added to his signature on the Order. He must then call upon the applicant to give the name of the remitter, and if the reply be correct, the order must be paid, unless there be any strong reasons to suppose that a fraud is being committed. Should payment for any such reason be refused, the circumstance must be at once reported to the chief office. When an order is paid through a Bank, it is sufficient that it be receipted by the payee, and that it be presented (endorsed) by the receiving Bank. In such case, the usual questions put on the presentation of a Money Order may be dispensed with.

Payment of Money Orders.

When presented by a Bank.

Inability to write.

Witness—Henry Cook, } Joseph Allen his x
No. 1, Chowringhee. } mark or seal.

The witness must sign his name, with his address, in the presence of the paying officer, who must then certify the payment by adding his initials. The witness should be known to the paying officer, and it is desirable (though not imperative) that he be not connected with the office. In no case must the paying officer act as witness.

25. When an order is paid, it must immediately be entered in the paid journal. The order must also be stamped (at the place indicated upon it), with the date of its discharge.

26. Payment of an order must be obtained before the end of the sixth (English) calendar month after that in which it was issued (for instance, if issued in January, it must be paid before the end of July), otherwise it must be renewed. Any person presenting such an order should be informed accordingly, and furnished with an Application form for renewal. This form, along with the order, must be forwarded by the agent to the Controller by the same day's post, with an acknowledgment on the application that he has received the second commission fee chargeable in such cases. If the order be not paid before the end of the twelfth calendar month after that in which it was issued (for instance, if issued in January, and not paid before the end of next January), all claim to the money will be lost. On the last day of each month, every agent will forward to the chief office "a Statement of lapsed orders," accompanied by the relative advices.

Lapsed and void Orders.

No claim after Order has once been paid.

28. In case of the miscarriage or loss of a Money Order, a duplicate is granted on application (with the necessary particulars) to the chief office in Calcutta, and by a similar application to the same Office, which (except as regards a temporary power to stop payment) can alone act in such cases, authority can be obtained to transfer the payment of an order from one office to another, or to stop payment, or to correct any error in the name of the remitter or payee, or to re-pay the money to the remitter. Every such application, however, should be accompanied by a second commission, which the Agent must receive and credit in his weekly account. One commission will suffice when, in the same application, more things than one relating to the same order are asked for.

29. Unless a sufficient reason can be given for an exception, the application must come either from the remitter or the payee.

27. After once paying a Money Order, by whomsoever presented, the office is not liable to any further claim.

*Proceedings of the Madras Government, Financial Department,
19th September 1868.*

30. Whenever, on complaint being made, it is found that the necessity for an application, entailing the payment of a fresh commission, is attributable to the Money Order Office, the second commission paid in by the applicant will be returned, and the officer in fault will be required to pay the additional commission.

31. When the payment of an order is refused, in consequence of the replies to the questions respecting the remitter not corresponding with entries in the advice, or of a difference in the name of the recipient, the applicant for payment should be advised to communicate with the remitter, and to request him to apply to the chief office in Calcutta, enclosing in his application, which should be forwarded through the agent, the additional commission chargeable for the alterations required.

32. In every case of transfer, re-payment, or alteration of name, the document containing the authority must (when the order has been paid) be attached to the order and returned with it, enclosed in the account, to the chief office in Calcutta.

33. A transferred Money Order, when it has been paid, must be endorsed "*Transferred from*" (naming the office upon which it was originally drawn) "*to*" (naming the office at which it was paid).

34. An order after re-payment must be crossed with the word "*Refunded*."

35. When an officer receives notice of the transfer to a different office of an order originally payable at his own, he must immediately forward the advice to the chief office with "*Transferred to*" endorsed upon it.

36. The notice must be put up with the advices of unpaid orders in the place originally occupied by the advice, where it must remain until the period for the payment of the order has elapsed, when it must be sent with the Statement of unpaid orders, but not entered therein.

37. Should an application be received from the paying office for the advice of an order of which a duplicate has been issued, it must not be forwarded thereto direct, but must be transmitted, with the application, to the chief office in Calcutta.

38. On the receipt of a duplicate, with the necessary authority for payment, the journal must be referred to, to see if the original order has been paid, and if so, the duplicate must be immediately returned to the chief office with a statement to that effect.

39. If the original order be presented after the duplicate has been paid, it must be refused and returned to the chief office. If the presenter refuses to give it up, it must be returned to him with the words "*Refused, duplicate being paid on*" (date) written across it.

Accounts.

40. An account of the Money Order transactions must be made out in the prescribed form (pattern A.), and sent to the Controller's Office on the following dates:—

Accounts.

From	1st	to	7th of each month (inclusive).
"	8th	"	14th " (")
"	15th	"	21st " (")
"	22nd		to the end of the month.

41. This account must include all the transactions in the period from the last account to the close of the Money Order business of the day on which the new account is dated, and must be forwarded by the first post after the close of business.

42. In preparing this account, first, the details of each order issued must be copied from the journal on to the debit side of the account, and this copying must be examined to see if it is correct. The journal and account should then be cast up independently, and it should be seen that the totals agree. The orders paid should next be entered on the credit side according to date of payment. The account should be very carefully tested with the journals to ensure correctness.

43. The paid orders and advices must be enclosed in the account as vouchers in support of the entries which they represent.

*Proceedings of the Madras Government, Financial Department,
19th September 1868.*

44. Any entry for which the corresponding voucher is not enclosed, will be disallowed, and the amount placed to the agent's debit.

45. On the last day of each month, the agent will forward to the Controller's Office a monthly account prepared in accordance with the form furnished. As this account can be made up day by day, no delay should take place in forwarding the same; and unless it be very carefully prepared, confusion and trouble will ensue.

46. The agent must correct in his Money Order books every error pointed out to him, so that his accounts may agree with the records in the Controller's Office; and he must take care that, in his correspondence with that office, all letters and instructions received therefrom are promptly attended to.

Correction of accounts.

Remittances to and from Treasury.

47. When an agent is in need of funds, he will submit a requisition and receipt (according to given Form No. 9.) to the Collector or Treasury Officer, who will supply him accordingly. The agent's requisition and the Collector's note thereon, testifying the amount paid, must be forwarded by that day's post to the "Controller."

Funds.

48. In like manner, when the agent has a surplus of Rupees 500 or upwards, he must hand it over to the Collector or Treasury Officer with a prepared memorandum and receipt (according to given Form No. 8), the latter of which the Collector will return to him signed. This receipt must also be posted to the Controller by the same day's post.

49. Both Receipt Forms, Nos. 8 and 9, will be forwarded to the Controller in the same manner as Money Order advices.

50. At the close of business in each day, the Money Order Agent must deposit the whole of the funds in his possession in the treasury, in a sealed bag, presenting with it a memorandum for the Cash-keeper to sign in token of receipt. This memorandum must be delivered up on the following morning, when the sealed bag is received back by the agent.

51. On the last day of each month, the whole balance in hand must be paid into the treasury before 4 p. m., in order that the Collector may include the amount in his Monthly Cash Balance Report.

52. When the last day of the month falls on a Sunday, or a recognized holiday, the whole balance in hand must be paid in as above, before 4 p. m., on the preceding day.

53. Official balances are not to be used for private purposes for however short a period.

54. In stations where there is a branch of the Bank of Bengal, remittances will be made to and from it, in lieu of through the Collector.

Miscellaneous.

55. Every Money Order Agent is furnished with a list of places on which he is authorized to draw orders, and when notice is received of the opening of any new office, or of any change whatever relative to Money Order Offices, the list must be immediately corrected.

56. The agent must, during business hours, be easily accessible to the public, and no delay must take place either in issuing or paying a Money Order.

57. No contingency expenses are sanctioned for Money Order Offices, and no advances for the purchase of service labels will in future be allowed, except when Money Order Offices are opened at places where there are no treasuries and at sub-divisions where the officer in charge is not on the list of privileged officers. All letters, advices, &c., will be franked by the officer duly authorized to do so.

58. Forms, stationery, &c., will be supplied by the Controller, Money Order Department, on indent by the agent.

CALCUTTA,
1st July 1868.

(Signed) A. GRIGOR,
Controller, Money Order Department.

*Proceedings of the Madras Government, Financial Department,
19th September 1868.*

No. 55.

ORDER THEREON, 19th September 1868, No. 435.

Ordered that copies of the foregoing Circular, and the Rules referred to therein, be furnished to the Board of Revenue, and to the several Collectors in the provinces for an expression of their views on the points noted in the Circular.

2. The Collectors will be requested to forward their replies to the Board of Revenue direct within a week after the receipt of this order, and the Board of Revenue to submit all the replies received to Government not later than the 15th proximo.

(True Extract).

Chief Secretary.

To the Board of Revenue.

„ Collector of
„ Commissioner of the Neilgherry Hills.
„ Accountant General.

Edw. J. Tulloch.

Circular

No. 1818.

GOVERNMENT OF INDIA.
FINANCIAL DEPARTMENT.

To

*The Chief Secretary to the Govt
of Madras.*

SIMLA, the 10th August 1868.

The Government of India having had under consideration the report of the Controller of the Money Order Office for the year 1867-68, would be glad to have opinions on the following points, with a view to the advancement of a plan which has already met with a considerable measure of success:—

1st.—Whether the Money Order system can be further extended; in other words whether more offices for this purpose can be advantageously opened in addition to those already in existence. Such extension may be feasible owing to the number of treasuries, sudder and tehseel, in the interior of districts, the machinery being thus ready at hand.

2nd.—The present rate of percentage demanded for the issue of Money Orders now ranges from $1\frac{1}{2}$ to $1\frac{1}{6}$ per cent. Considering that this rate is so much higher than the ordinary rate of exchanges on hoondies, could it be advantageously lowered? In that case, would people be likely to make greater use of the Money Order Offices so that the loss in the percentage might be compensated by a greater issue of Money Orders?

3rd.—*Primâ facie*, it would appear that the greater the number of the Money Order Offices opened, the less would be the aggregate expense of control of each Office. This is borne out by the fact that in Bengal alone, where there are 180 Offices, the cost of each Office is but Rs. 96-8-7; whilst in Bombay, where there are but 29 Offices, the cost is Rs. 289-3-6; and in Madras, where there are 48 Offices, Rs. 164-12.

4th.—The present limit in amount of a Money Order is from one anna to Rs. 150. Would there be any great advantage in raising the highest limit to Rs. 250? it being borne in mind that the object of the

Cont. of 1868 Madras

FINANCIAL.

THE BOARD OF REVENUE.

Secy. Secy. Secy.

Dated September, 19th.

Recd.

Encl

G. O., 19th September 1868, No. 436.

SEPTEMBER.

Nos. 54-55.

Communicating to the Board of Revenue and the several Collectors a Circular from the Government of India regarding the extension of the Money Order system, and requesting their opinion thereon.

Money Order system is *not* to interfere with the banking transactions of the country, but to give to the people of India a cheap and safe mode for the remittance to distant parts of small sums of money.

5th.—Is it desirable to raise the present commission of two annas per cent. on the amount of orders issued and paid to the Money Order Agents? If so, what sum would be remunerative to them, and at the same time would entail no undue loss financially?

6th.—Would it be advisable to make any diminution on the second commission for a duplicate and renewed order? At present this charge is the same as on the issue of the first order.

7th.—Would not the Money Order system be more popular if commission were charged on a graduated scale according to distance? By the present practice, the commission charged for an order on a treasury five miles off is the same as that charged on a treasury 1,000 miles away.

8th.—A copy of the proposed rules for the guidance of Money Order Agents is herewith enclosed. Do any alterations, modifications, or additions suggest themselves?

2. I am to add that, in the consideration of this subject, it should be remembered that it is not only for Europeans that the Money Order system was instituted, but for the mass of the Natives in British India.

R. L. S. S. S.

Secy. to the Govt. of India.

813

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following letter Circular
from the Govt. of India, Finl.
Department.

Memo, dated 19th August 1868. No. 1870.

Order No 435- dated 19 Sept 1868

Ordered that copies
of the foregoing Circular and
the Rules referred to therein
be furnished to the Board
of Revenue and to the several
Collectors in the provinces for
an expression of their views
on the points noted in the
Circular.

2 The Collectors will be
requested to forward their
replies to the Board of
Revenue direct within a
week after the receipt of
this Order and the Board
of

Recd 29 Sept 68

Financial Dept

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

Circular

Secretary to Govt. of India
Financial Dept

No. 1818.

Dated, Simla, the 19 August 1868.

Received — 1 sep

381.

Recd 4/10

Banking certain measures
in regard to the collection
of the money and so forth

With an order.
No. 1212-15-8-68-50.

Ordered that copies of
the foregoing Circular
and the Rules referred
to therein be furnished
to the gentlemen named
in the accompanying list
in the margin, with
a request that they
will favour forward
their views on the
points noted in the
Circular to the Board
of Revenue direct within
a week after the receipt
of this Order and the
Board of

Mr. A. A. Bullard -
Mr. J. H. Carmichael -
Mr. J. J. Hamilton -
Mr. J. C. Johnson -
Mr. H. R. Johnson -
Mr. R. H. Packer -

By inspection of the
opinion in the
margin and so forth
Circular -

PHL

of Revenue to submit all the
replies received to Govt
not later than the 15th
Proximo.

Full

220-2810

To the Board of Rev. disd 22/9
Collector of 3 disd 22/9
Court of the Kutchery Hills
Acct General disd 22/9
Reminder to the Secy 18th Revenue - 16/11
do 3/11

Circular about the
Money Order
list of 24 Sept

1867 Civil Department

No. 455-

Lim

PROCEEDINGS OF GOVERNMENT.

Dated 19 Sept 1868

Concerning the Board of the
of the several letters, a letter
from the part of the Board, regard-
ing the evidence of the
Money order & others, &
requesting their opinion in
thereon

Send me

Oct. of 1868 Madras.

Financial

~~in the Mode of Revenue~~
24th

Sept 19

End.

19 Sept 1868, No. 455-

under to the 18-16/10
do 3/11

No. 584

Nos. 52-55-

Coming to the Bd. of
Revenue & the several Collrs.
Circular from the Govt. of
Madras regarding the ex-
tension of the money
order system, & requesting
their opinion thereon.

54-55

54-55