M.R.O. 1—77,006—8-6-37.

(1) Number of pages 8

(2) Date of repair 2-12-37

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Finance DEPARTMENT.

G.O. No. 519 Press Mis.

36-37

Dated 14-11- 1868.

36-37 516

Not to be folded or roughly handled

Proceedings of the Madras Government, Financial Department,
14th November 1868.

No. 36. Read the following letter from the Secretary to the Government of India, Financial Department, to the Comptroller General of Accounts and the several Accountants General and Deputy Accountants General; dated Simla, 28th October 1868, No. 3110.

Accounts.

I am directed to inform you that the Governor General in Council has lately had under review the latest returns of the cash balances throughout the several Presidencies.

2. This examination shows that there are several treasuries in the interior of the country where the cash balances are apparently in excess of their requirements. His Excellency in Council accordingly desires that, in all such cases, the surplus coin should be removed, as soon as circumstances may permit, to the General or Head Treasury of the Government or Administration to which the interior treasury may be subordinate.

3. In order to do this effectually, you are requested to examine into the statement of the receipts and payments of every treasury under your control, and in determining the amount of coin which may henceforth appear to you to be sufficient for its use, you should give due weight to the position of the treasury as regards its means of communication, and the consequent facility you would possess for withdrawing or replenishing its funds throughout the year.

4. For example, the Governor General in Council is of opinion that the balances in the treasuries on the line of railway between Allahabad and Delhi might be kept at a minimum, while, on the other hand, the Orissa Districts should be left with sufficient funds at the end of the hot weather to carry them through the rains. On the one hand it is not desirable that money should be left lying idle in the interior treasuries, while Government may be paying interest to the Banks for over-drawn accounts at the General Treasuries, and on the other hand the equally expensive mistake must be avoided of feeding the latter treasuries with funds drawn from the interior, which will have to be shortly sent back again to supply local demands.

5. This important subject was fully discussed with several local Accountants General in 1864, but the returns now before His Excellency in Council show that full consideration, adequate to its economical value, has not been steadily bestowed on it since, particularly with reference to the fact that, with the annually improved means of communication, there should be a corresponding diminution of the necessity of keeping up large balances at treasuries which may thus be brought by rail within a few hours of the Head Treasury of the Province. Indeed the Governor General in Council is of opinion that in some cases such treasuries as depôts for surplus cash might be abolished, and the establishments reduced, sufficient funds only being kept for their immediate disbursements.

6. You are requested to submit your reply to this communication through the Local Government to which you are subordinate, the favor of whose opinion will be requested, particularly with reference to any suggestions you may have to offer on the preceding paragraph.

Ordered that a copy of this letter be sent to the several Local Governments and Administrations, with a request that the Government of India may be favored with an expression of opinion on the report which may be submitted by the local Accountant General or Deputy Accountant General.

(Signed) R. H. HOLLINGBERY,
Asst. Secy. to the Govt. of India.

No. 37. ORDER THEREON, 14th November 1868, No. 513.

Communicated to the Revenue Department, and to the Accountant General.

(True Extract.)

Chief Secretary.

To the Revenue Department.
,, Accountant General.

Exd. J. Tulloch.

Govt. of India, 1868 Orders.

FINANCIAL.

To

THE REVENUE DEPARTMENT.

&c., &c.,

Dated November, 14th.

Read.

C. O., 14th November 1868, No. 318.

NOVEMBER.

Nos. 36-37.

Communicating letter from the Government of India, issuing orders for regulating the cash balances to be retained in the treasuries throughout the several Presidencies.

2-6

No. 3110.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

Accounts.

To The Comptroller General of Accounts and the several Accountants General & Dy: Accountants General

SIMLA, *the* 28 *October* 1868.

SIR,

I am directed to inform you that the Governor General in Council has lately had under review the latest returns of the cash balances throughout the several Presidencies.

2. This examination shows that there are several treasuries in the interior of the country, where the cash balances are apparently in excess of their requirements. His Excellency in Council accordingly desires that, in all such cases, the surplus coin should be removed, as soon as circumstances may permit, to the General or Head Treasury of the Government or Administration to which the interior treasury may be subordinate.

3. In order to do this effectually, you are requested to examine into the statement of the receipts and payments of every treasury under your control, and in determining the amount of coin which may henceforth appear to you to be sufficient for its use, you should give due weight to the position of the Treasury as regards its means of communication, and the consequent facility you would possess for withdrawing or replenishing its funds throughout the year.

4. For example, the Governor General in Council is of opinion that the balances in the treasuries on the line of Railway between Allahabad and Delhi might be kept at a minimum, while, on the other hand, the Orissa Districts should be left with sufficient funds at the end of the hot weather to carry them through the rains. On the one hand it is not desirable that money should be left lying idle in the interior treasuries, while Government may be paying interest to the Banks for overdrawn accounts at the General Treasuries, and on the other hand the equally expensive mistake must be avoided of feeding the latter treasuries with funds drawn from the interior, which will have to be shortly sent back again to supply local demands.

5. This important subject was fully discussed with several local Accountants General in 1864, but the returns now before His Excellency in Council show that full consideration, adequate to its economical value, has not been steadily bestowed on it since, particularly with reference to the fact that, with the annually improved means of communication, there should be a corresponding diminution of the necessity of keeping up large balances at Treasuries which may thus be brought by rail within a few hours of the Head Treasury of the Province. Indeed the Governor General in Council is of opinion that in some cases such treasuries as depôts for surplus cash might be abolished, and the establishments reduced, sufficient funds only being kept for their immediate disbursements.

6. You are requested to submit your reply to this communication through the Local Government to which you are subordinate, the favor of whose opinion will be requested, particularly with reference to any suggestions you may have to offer on the preceding paragraph.

I have the honor to be,

SIR,

Your most obedient Servant,

E. H. LUSHINGTON,

Secy. to the Govt. of India.

ORDERED that a copy of this letter be sent to the several Local Governments and Administrations, with a request that the Government of India may be favored with an expression of opinion on the reports which may be submitted by the local Accountant General or Deputy Accountant General.

Asst. to Under Secy. to the Govt. of India.

Madras 1868 Govt
Financial

From

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

Accounts.

To C

No. 3110.

Dated, Simla, the 28 *October* 1868.

Received 9 9 bur

ESC No 570

I giving orders for regulating the cash balances to be retained in the ~~Sub~~ Treasuries throughout the Presidencies

With an extra

No. 2071—23-10-68.—45.

No 573 – 14 Nov 1868

Communicated to the Revenue Department and to the Accountant General.

To the Revenue Department
" Accountant General

Govt. of {1868} Madras.

Financial

To

The Revenue Departt. &c.

Dated Novr. 14.

Recd. Encl.

G. O., 11 Novr. 1868, No. 513.

Nos. 36. 37.

Comng. letter from the Govt of India issuing orders for regulating the cash balances to be retained in the Treasuries throughout the several Presidencies.