M.R.O. 1—77,006—8-6-37.

(1) Number of pages 110.

(2) Date of repair 8-11-39.

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. 336 Press / Mis.

41-42

Dated 16-8-1871.

617

41-42

Not to be folded or roughly handled

No. 41. Read the following Proceedings of the Government of India in the Financial Department, dated Simla, 25th July 1871, No. 2177 :—

Read the following correspondence regarding the draft of a Rule in substitution of the four paragraphs 58 to 61 of Section 2, Chapter XX., of the Public Works Code, and respecting a suggestion by the Accountant-General, Public Works Department, that, when stores have already been charged off finally against any Government grant, their value should not be debited in the finance accounts to any other Department to which they may be afterwards supplied, viz. :—

Extract from Proceedings of Government in the Public Works Department, No. 155AG, dated 8th March 1871.

Endorsement to Comptroller-General, No. 1640, dated 16th March 1871.

Reply of Comptroller-General, No. 290, dated 20th June 1871.

Resolution.—The Governor-General in Council considers that, had the further suggestion of the Accountant-General, Public Works Department, not been submitted, the draft rule in substitution of paragraphs 58 to 61 of Section 2, Chapter XX., of the Public Works Code should have been modified as follows :— " Cash received from and paid to another Department will be credited and debited respectively to that Department. The value of stores received from or issued to another Department will be similarly credited or debited at the option of the supplying Department. Expenditure for other than permanent establishments of the supplying Department incurred by one Department on account of another will also," &c., &c., as in the draft of the Public Works Department

2. The further suggestion of the Accountant-General, Public Works Department, which is recited in the preamble of this Resolution, is supported by the Comptroller-General, who would extend the principle of the suggestion even beyond the cases contemplated by the Accountant-General, Public Works Department. But the Governor-General in Council cannot entertain the proposal to the full extent. It is certainly very desirable to avoid inter-departmental transfers as much as possible; but they cannot be altogether avoided. The Departments which are conducted on a *quasi*-commercial principle, such as the Post Office, the Telegraph and Forest Departments, the Mint, the Public Works Workshops, and some few others, should continue to charge the Government in the same way as they charge the public. Again, adjustments between imperial services on the one part and provincial services and local funds on the other part, must continue to be made to the extent that they have obtained hitherto, and also between ordinary and extraordinary. With these large exceptions, all inter-departmental adjustments should be interdicted as much as possible, and that between the Opium and Excise Departments for opium supplied to the latter should cease in its present form of a charge under excise, which is met by a credit *per contra* under opium. In future, there should be no charge to the Excise Department for the opium supplied to it by the Opium Department under the Government of Bengal; but, on the sale of the opium, the credit for the gross proceeds should be divided between opium and excise, a sum equal to the cost of the drug being credited to opium and the balance as excise revenue.

Proceedings of the Madras Government, Financial Department,
16th August 1871.

ORDER.—Ordered that a copy of this Resolution be sent to the Public Works Department, with the original papers received from that Department; to the other Departments of the Government of India; to the Local Government; the Comptroller-General, the Accountants-General, the Deputy-Accountants-General in independent charge; the Mint Master, Calcutta; the Director-General of the Post Office; and the Superintendent of Government Printing.

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

No. 42. ORDER THEREON, 16th August 1871, No. 336.

Communicated to the Revenue Department, and to the Supervisor of the Government Press.

(True Extract.)

Captain, R. E.,
Under Secretary, P. W. D.,
for *Chief Secretary.*

To the Revenue Department.
" Supervisor of the Government Press.

Exd. J. Wright.

Govt. of {1871} Madras.

FINANCIAL.

To

THE REVENUE DEPARTMENT, &c., &c., &c.

Dated August, 16*th*.

Recd. Encl.

G. O., 16*th August* 1871, *No.* 336.

AUGUST.
Nos. 41-42.

Communicating Resolution of Government India, directing that, when stores have been fin charged against any Government grant, their v should not be debited in the finance account any other department to which they may be a wards supplied.

No. 2177.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

SIMLA, THE 25th JULY 1871.

READ the following correspondence regarding the draft of a Rule in substitution of the four paragraphs 58 to 61 of Section II. Chapter XX. of the Public Works Code, and respecting a suggestion by the Accountant General, Public Works Department, that when stores have already been charged off finally against any Government grant, their value should not be debited in the Finance Accounts to any other Department to which they may be afterwards supplied, *viz.*:

Extract from Proceedings of Government in the Public Works Department, No. 155AG, dated 8th March 1871.

Endorsement to Comptroller General, No. 1640, dated 16th March 1871.

Reply of Comptroller General, No. 290, dated 20th June 1871.

RESOLUTION.—The Governor General in Council considers that had the further suggestion of the Accountant General, Public Works Department, not been submitted the draft rule in substitution of paragraphs 58 to 61 of Section II. Chapter XX. of the Public Works Code, should have been modified as follows: "Cash received from, and paid to another Department will be credited and debited respectively to that Department. The value of stores received from, or issued to another Department will be similarly credited or debited at the option of the supplying Department. Expenditure for other than permanent establishments of the supplying Department, incurred by one Department on account of another, will also," &c., &c., as in the draft of the Public Works Department.

2. The further suggestion of the Accountant General, Public Works Department, which is recited in the preamble of this Resolution, is supported by the Comptroller General, who would extend the principle of the suggestion even beyond the cases contemplated by the Accountant General, Public Works Department. But the Governor General in Council cannot entertain the proposal to the full extent. It is certainly very desirable to avoid inter-departmental transfers as much as possible; but they cannot be altogether avoided. The Departments which are conducted on a *quasi*-commercial principle, such as the Post Office, the Telegraph and Forest Departments, the Mint, the Public Works Workshops, and some few others, should continue to charge the Government in the same way as they charge the public. Again, adjustments between imperial services on the one part, and provincial services and local funds on the other part, must continue to be made to the extent that they have obtained hitherto; and also between

ordinary and extraordinary. With these large exceptions, all inter-departmental adjustments should be interdicted as much as possible, and that between the Opium and Excise Departments for opium supplied to the latter should cease in its present form of a charge under excise, which is met by a credit *per contrá* under opium. In future, there should be no charge to the Excise Department for the opium supplied to it by the Opium Department, under the Government of Bengal; but on the sale of the opium, the credit for the gross proceeds should be divided between opium and excise, a sum equal to the cost of the drug being credited to opium, and the balance as excise revenue.

ORDER.—Ordered, that a copy of this Resolution be sent to the Public Works Department, with the original papers received from that Department; to the other Departments of the Government of India; to the Local Governments; the Comptroller General, the Accountants General, the Deputy Accountants General in independent charge; the Mint Master, Calcutta; the Director General of the Post Office; and the Superintendent of Government Printing.

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

Asst. Secy. to the Govt. of India.

GOVERNMENT OF INDIA.

FINANCIAL DEPARTMENT.

To

No. 2177. Dated Simla, July 1871.

Received

Govt Account. 16 Augt 1871. No 3365

Communicated to the Revenue Depart-
: ment, & to the Superviser of the Government
Insp -

To the Revenue Department.
- " - Superviser of the Government Insp

dated 23/8

C.7-8
2.15/8.

1871

Financial Department

From

The Government of
India

Dated 25. July - -
Recd. 2. August 71.

No. 2177.

S.S.C. No. 368

With an order.

Communicating
Resolution passed on cor-
: respondence regarding the
draft of a Rule in sub-
: stitution of the four paras
58 to 61 of Sec. II Cap. XX of
the P.W. Code & respecting a
suggestion by the Acct Genl
P.W.D. that when stores have
already been charged off finally
against any Govt grant, their
value should not be debited
in the Finance Accounts of
other Dept. to which they may
be afterwards supplied.

Govt. of {1871} Madras.

Financial

To The Revenue Dept.

&c.

Dated Augt. 16

Recd. Encl.

G. O. 16 Augt, 1871, No. 330.

Nos. 41. 42.

Comms. Resr. of Govt. of India directing that when Stores have been finally charged against any Govt. grant their value should not be debited in the Finance Accounts to any other Dept. to which they may be afterwards supplied.