

So on
Financial (1897) Department.

ORDINARY PRINTED.

G.O., Nos 601-2
DATED 13 May
INDEXED.

7/9

[Despatch Abstract.]

Security from public servants

*Extending to chaffs
showing not more than Rs 25 per mensem
the concession of furnishing security
in any form that may be convenient.
Copr to the Secy.*

*T
15/5/97*

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

Government {1899} of Madras. FINANCIAL.

Recd.

Regd.

} 1899.

Enclosures

Spare copies

G.O., &c., Nos. 601, 602, 13th May 1899.

MAY.

Security from Public Servants.

Extending to shroffs drawing not more than Rs. 25 *per mensem* the concession of furnishing security in any form that may be convenient. Copy to the Government of India.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—again the following paper:—

G.O., Nos. 2929, 2930, Financial, dated 22nd December 1883.

ABSTRACT—Exempting, as a class, all shroffs drawing not more than Rs. 20 monthly from the operation of Government of India Resolution, No. 3454 of 1882, and permitting them to find security in any form most convenient; also directing that effect be given to the Accountant-General's suggestion respecting the security to be furnished by officers to be hereafter appointed.

READ—also the following papers:—

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 1004, dated 20th March 1899.

Read—letter from H. O. D. HARDING, Esq., Acting Collector of Cuddapah, to the Secretary to the Commissioners of Land Revenue, dated 1st March 1899, Cur. No. 52-Acc. B. & G.

Resolution—Mis. No. 1004, dated 20th March 1899.

The Collector of Cuddapah recommends the exemption of Mir Saud-ud-din Sahib, Huzur shroff, on Rs. 25, from the rule requiring him to deposit a security of Rs. 1,000 in cash or Government promissory notes. The amounts of security prescribed in the case of shroffs of different classes are given in Board's Standing Order No. 324 (Public Servants' chapter submitted for the approval of Government with Board's Proceedings, Mis. No. 3826, dated 12th October 1897). This Standing Order is based on G.O., No. 663, dated 27th April 1860, but under G.O., No. 2929, Financial, dated 22nd December 1883, only shroffs drawing more than Rs. 20 are now required to deposit cash security. There are thus only two classes of shroffs from whom cash security can now be demanded under this Government Order, viz., those on Rs. 50, of whom there are fifteen in the Presidency, and those on Rs. 25 of whom there is a like number.

2. In the case of a shroff on Rs. 20 who is promoted to Rs. 25, as Mir Saud-ud-din Sahib lately was, the rule requiring the production of cash security works with peculiar hardship. Mir Saud-ud-din Sahib is said to have borrowed Rs. 1,000 for the purpose of purchasing Government promissory notes to be deposited as security. The interest payable by him on the loan being 12 per cent. and that payable to him on the Government promissory notes being only $3\frac{1}{2}$ per cent., it follows that he must pay Rs. 85 per annum out of his pocket in order to keep up the security. In other words, the result of his promotion from Rs. 20 to Rs. 25 is that his income is reduced to Rs. 25 minus Rs. 7-1-4 or Rs. 17-14-8 per mensem.

3. The case would not have been very different if the shroff had deposited his own money as security, transferring it for that purpose from some previous form of investment to Government securities. The transfer would have entailed a monthly loss of income, depending on the difference between the rate of interest obtainable on private investments and that paid on Government promissory notes; among natives the former rate is usually considerably in excess of $3\frac{1}{2}$ per cent.

4. For these reasons, the Board recommends that shroffs on Rs. 25 per mensem may be allowed the same concession as those on Rs. 20 and permitted to furnish security in any form that may be convenient to them.

(True Extract.)

(Signed)

LIONEL DAVIDSON,
Ag. Secretary.

To the Secretary to Government, Revenue Department.

Endorsement Mis. No. 1285, Revenue, dated 29th March 1899.

ORDER—No. 601, Financial, dated 13th May 1899.

The Governor in Council is pleased to extend the concession granted in G.O., No. 2929, Financial, dated 22nd December 1883, to shroffs drawing not more than Rs. 25 per mensem.

(True Extract.)

G. STOKES,
Chief Secretary.

To the Revenue Department.
" Board of Revenue (Land Revenue).
" Accountant-General.

ENDORSEMENT—No. 602, Financial, dated 13th May 1899.

Copy to the Government of India, Finance and Commerce Department.

G. STOKES,
Chief Secretary.

Financial
Revenue (1899) Department.

1391.
CURRENT No. 248

100 1.4.99

Endt: mis No 1285
Order

Transferred to the Financial
Department.

(By Order)
M. M. V. V. V.

Ag: Under Secretary to Govt.

Fort St George }
29th March 1899 }

From

The Board of Revenue
Land Revenue
Madras.

No: 1004 mis.

Dated 20th March 1899.

Received } 22nd
Registered }

Enclosures
Spare copies.



SUBJECT.

The Financial Department.

Recommending to Govt.
that shroffs on Rs 25 per man
seu may be allowed the same
concession as those on Rs 20 to
furnish security in any form
that may be convenient to
them.

BACK PAPERS.

G.O.	No.	Department.	Date.
Loss file	663	Security of public servants	27.4.60

FURTHER PAPERS.

G.O.	No.	Department.	Date.

G.O. No 663 Rev F
27.4.60

See also the principles "well known rule" re: affirmed in the G.O. No 1207 Financial 7/16.9.82 That adequate security is to be taken from all subordinates who may be entrusted with the custody of public money

Regn. No 3454 A
2.9.82
in G.O. 1207 Finl
16.12.82

From Treasurers or other Officers of Govt. who are entrusted with the charge of public money

Financial Department
C. No 1391

note. The rule as to taking security from public servants is that it "should be required only of those servants who are actually charged with the immediate custody and disbursement of cash or valuable Government property such as stamps". As regards the form in which such security is to be taken, the Govt. of India has ruled that "without the special sanction of the Local Government, in respect of any particular case or class of cases, the only form of security to be taken shall be consist of promissory notes including stock notes of the Govt. of India.
The Board of Revenue pointed

pointed out that it was
 not possible to enforce the
 rule of the Govt of India,
 in the case of shroffs, generally
 a poorly paid class of mu-
 latti servants, as it would
 work much hardship on
 them and Government.
 accepting the Board's re-
 commendation exempted,
 "as a class, all shroffs
 drawing not more than
 Rs 20 monthly from the
 operation of Govt of India
 Resolution" and permitted
 them "to find security in
 any form most convenient."
 This exception was reaffirm-
 ed in an order of Septem-
 ber 1896. The order noted
 in the margin lay down
 that the security from other
 officers shall be in the
 form of cash or its equi-
 valent in promissory notes
 and savings bank deposits.
 3. The Board of Revenue
 recommends the extension
 of

B. P. No 2403 C
 16.8.83
 on p. 4 of F.O. 2372 Fint. 7
 17.10.83

G.O. No 2929 Fint. 4.
 22.12.83

E
 No 646 Fint. 7 and 10.
 29.9.96

No 336 Fint. B
 16.5.96
 646 " E
 29.9.96
 868 " D
 26.10.97

of the concession granted
 to shroffs on Rs 20 to those
 on Rs 25. The Board points
 out that the rule requiring
 cash security works with
 peculiar hardship on a
 shroff promoted to the Rs 25
 grade, instancing the case
 of Mir Saadudin Sahib,
 Shroff, Cuddapah.
 This means when he was
 on receipt of Rs 20 only was
 permitted to find security
 of a kind most convenient
 to him, but on promotion
 to Rs 25 had to furnish
 cash security and had
 therefore to borrow money
 on interest at a rate
 higher than what Govt
 pays on his security, the
 result being that he gets
 on promotion less than
 what he was getting before
 it. The Board further points
 out that instead of having
 had to borrow even if
 the shroff had converted

(Order complete.

0.1-5-27
124-5-27

A circular ink stamp from the Accountant General's Office in Madras. The outer ring of the stamp contains the text "ACCOUNTANT GENERAL'S OFFICE" at the top and "MADRAS" at the bottom, separated by two small floral or star-like symbols. In the center of the stamp, the date "21 APR 1899" is stamped.

Please see the draft below

201 The Rev. Dr. [Redacted] & Comm. Secy
 .. Bond & Sec (Lancaster) Cash
 .. And fl. 26.4 98
 dispd. 18-5-99.

First copy sent to D-22.

Returned for signature.

Despatched in print.

READ AGAIN G.O., No. 189

NUMBER OF COPIES REQUIRED. { Order complete. Letter only. Order complete with letter.

15/

CURRENT No.

Print as marked of said six copies
Proprietor 875

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT

LETTER OF GOVERNMENT

STATEMENT WITH DITTO.

PAPER NOT FILLED UP, BEING MEANT FOR REFERENCE IN ORIGINAL.

N.B.—

A = Print in full.
B = Not to be printed.
P = Print abstract only.
Q = Print heading only.