

Marine (1897) Department.

G.O., No. 804 was

DATED 15 Sept 1897

[Despatch Abstract.]

Cash balances & Expenditure: Pro: Financial
Dept Comtg: Govt of India Resolution requesting
that all practicable steps be taken to economise
the cash balances and to postpone all Govt
transactions involving outlay in India as
far as possible till the beginning of January
1898. Comd to the P. & O. Officer.

23/9/97

24/9/97

FINANCIAL.

Recd.

Regd.

1897

Enclosures -

Spare copies -

G. O., No. 735, 9th September 1897.

No. 804 magazine 3/15th September 1897
Communicated to
the Presidency Lib. officer

SEPTEMBER.

Cross
14.9.57

14/9/97

The RPO with copies
L.S. 22/9/97

Cash Balances and Expenditure.

Communicating to all departments of the Secretariat and to heads of departments resolution of the Government of India requesting that all practicable steps may be taken to economise the cash balances and to postpone all Government transactions involving outlay in India, as far as possible, till the beginning of January 1898.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper:—

Resolution of the Government of India, Finance and Commerce Department (Accounts and Finance—Estimates and Accounts), No. 3900 A, dated Simla, the 2nd September 1897:—

The Government of India desire to call the attention of the Local Governments and the Heads of Departments to the imperative necessity of so restricting the cash transactions of the Government as to reduce the outgoings from the Treasury in India, in the immediate future, to the lowest possible limit.

2. In the programme of Ways and Means for the current year, as announced in the last Financial Statement, it was not possible to leave any margin of balances in the Treasuries; and, as explained in paragraph 210 of the Financial Statement, the programme of cash outlay during the year was so regulated as to involve the reduction of the cash balances to as low a level as was consistent with the requirements of the Government in the period of low balances, that is, September to December.

3. Since the estimate was framed, the cash balances have been adversely affected in several ways. The Revenues have been somewhat less in the earlier months of the year than anticipated: the expenditure on Famine Relief has been more prolonged: it has been necessary to increase largely the amount of advances to cultivators; the disturbances on the frontier have necessitated increased military expenditure; and the state of the money market rendered it necessary to reduce the rupee loan from four to three crores. To meet these large demands large reductions have been made in the expenditure on the construction of Railways and in the sales of Council Bills by the Secretary of State. But further measures of relief are still required to ease the severe strain upon the cash balances, and there is urgent necessity to husband the general resources as much as possible, in view to meeting the peremptory requirements of the situation.

4. His Excellency the Governor General in Council therefore requests that all possible steps may be taken to economise the cash balances: special efforts should be made to collect all revenue promptly on the due date, so far as the ability to pay it is not affected by considerations arising out of the general scarcity: all expenditure not immediately and urgently necessary should be postponed till January next; and the same course should be, as far as possible, adopted in respect of all transactions which will involve cash outlay in India.

5. Very considerable movements of funds are likely to be required and will be effected in the usual way under the directions of the Provincial Account Officers. The Collectors of Districts should be requested to second the efforts of

Account Officers in every possible way, by promptly gathering in their balances from their sub-treasuries to their head-quarters, and by making the desired remittances as quickly as possible.

ORDER.—Ordered that copies of the Resolution be communicated to all Local Governments and Administrations, to the Departments of the Government of India, to all Heads of Departments subordinate to this Department, to the Comptroller and Auditor General and to all Accountants-General and Comptrollers.

ORDER—No. 735, dated 9th September 1897.

Communicated to the departments of the Secretariat, to the Board of Revenue, to all heads of departments under the Chief Secretary and to all Collectors with the intimation that all possible steps should be taken to economise cash balances, special efforts should be made to collect all revenue promptly as far as the ability to pay it is not affected by considerations arising out of the general scarcity, and all expenditure not immediately and urgently necessary should be postponed until January 1898. The attention of Collectors of districts is specially drawn to the instructions in paragraph 5 of the resolution.

(True Extract.)

Al. Anappu.

for Chief Secretary.

To

All Departments of the Secretariat. *Mammi*
The Board of Revenue (all departments.)
All Heads of Departments under the Chief Secretary.
All Collectors.

Paper taken out of the Records from the charge of the Referencer.