(1) Number of pages 22
(2) Date of repair 14-11-86
(3) Initials of the Referencer long.

TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

P.W.D DEPARTMENT

G.O. No. B.P. No.	1386-W	Press. Mis.
Dated	16-5-1879	~~197~~

R.R.
Not to be folded or roughly handled.

Archives I—10,006—19-4-79.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

16th May 1879, No. 1,386 W.

General.
Account.

Read the following paper :—

No. 109. Circular of the Government of India, Public Works Department, (Account—General,) dated Simla, 15th April 1879, Circular No. 23 P.W.

The Governments of Madras and Bombay, in the Public Works Department, General, Irrigation, and Railway Branches.
The Governments of Bengal, North-Western Provinces and Oudh, and Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents to the Governor-General for Central India and Rajputana.
The Superintendent of Port Blair and Chief Commissioner, Andaman and Nicobar Islands.
The Director-General of Telegraphs.
The Inspector-General of Military Works.
The Directors of State Railways.
The Director of State Railway Stores.
The Director-in-Chief, Indo-European Telegraph.
The Director, Persian Telegraph.
The Deputy Director, Persian Gulf Telegraph.
The Consulting Engineers to the Government of India for Guaranteed Railways, Calcutta, Lahore, and Lucknow.

COPY of the following forwarded to the Local Governments, Administrations, and Officers noted in the margin for information and guidance, also to the Accountant-General, Public Works Department, for issue of the necessary subsidiary instructions in communication with the Comptroller-General of Accounts.

By order, &c.,

(Signed) A. J. FILGATE, Major, R.E.,
Offg. Dy. Secy. to Govt. of India.

No. 1,450, dated 25 March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read the following :—

No. 384, dated 25th January 1879.

I.—Read again Accounts and Finance Proceedings for 1877, as follows :—

March (No. 40), instituting inquiries as to the minimum working balance required at the beginning of each calendar month in the Treasuries in the interior of the country in account respectively with the Comptroller-General and with each Accountant-General and Deputy Accountant-General in independent charge—

March, 44—46 and 51—56;
April, 1—3 and 4—7;
July, 122—132;
August, 12—15 and 51—62;
October, 37—41;
November, 47—53,

containing the replies to the foregoing inquiries, and orders thereon.

II.—Read the following correspondence with the Accountant-General, Madras, regarding the balances in the Treasuries in account with that officer on the 31st March 1878:—

Telegram from Accountant-General, 25th April.
Telegram to do. dated 26th April and 7th and 18th May.
Telegram from do. dated 18th and 20th May.
Letter to do. No. 641, dated 22nd May 1878.
From do. No. 1,532, dated 20th May.
Telegram to do. dated 4th June.
Letter from do. No. 1,908, dated 24th May 1878.
Letter from do. No. 2,373, dated 29th May 1878.

From this correspondence it appears that the provincial returns of money in the Public Treasuries and at credit of Government in the Presidency Banks include the balances of Public Works Officers at the Presidency Banks and their Branches, and cash in the hands of Public Works disburses. It has been ascertained otherwise that advances in the hands of other disbursing officers, for instance, in Military chests, and with the Postal, Telegraph, Forest, and Opium Departments, are likewise returned as money in hand.

RESOLUTION.—The Governor-General in Council is pleased to direct that in future—

I.—The returns of money in the Public Treasuries, or at credit of the Government in the Presidency Banks and their Branches, shall not include sums in the hands of disbursing officers or standing at their credit in separate drawing accounts.

II.—But no money belonging to the Government in a Public Treasury, or at its credit in a Presidency Bank or Branch of a Presidency Bank, shall be excluded from those Returns by reason of any pending or forthcoming claim upon it, as, for example, of credits issued to the Public Works Department not yet exhausted or acted on.

2. The Resource Estimates must be prepared upon the basis thus defined, and the Comptroller-General must make arrangements to ensure that the Public Accounts shall work up to the balances so ascertained.

3. The minimum monthly balances ascertained for each province by the Proceedings recited in the first section of the preamble have not been found practically trustworthy: circumstances so vary from time to time that it seems often impossible to enforce any permanent standing minima.

4. In future, therefore, each Accountant-General and Deputy Accountant-General in independent charge must prepare a fresh estimate in each successive month of February of the minimum working balances which will be required in the Treasuries in account with him at the beginning of each month of the ensuing financial year.

5. His Excellency in Council desires once more to remind those officers that it is one of their most important duties to reduce the working balance of the Treasuries in account with them to the lowest possible amount. This cannot readily be done if these Treasuries usually contain a margin in excess of current requirements. So far therefore as is consistent with economy, surplus money should never be left in any Treasury which is not a Central Treasury where money is accumulated ready for remittance elsewhere on the demand of the Comptroller-General.

6. Each Accountant-General must carefully consider how far the situation of each Treasury compels him, at certain seasons of the year, to keep it supplied in advance to prevent costly arrangements for its recruitment later on. On no other consideration should surplus assets be left long in any Treasury except a central Treasury.

7. The Local Government should devise means for reducing to the lowest possible amount the money left in Sub-divisional, Tahsil, Taluka, and other outlying and subsidiary Treasuries. The number of such subsidiary Treasuries is already great, and is likely to increase; and any procedure involving the retention of money in these Treasuries must tend to increase the amount lying idle, which it is so important to restrict. The sums thus absorbed in the Madras and Bombay Presidencies is much in excess of the demands of the other Provinces, and the attention of the Governments of Madras and Bombay and of the Accountants-General of those Presidencies is again specially invited to this subject.

8. Further, it is the duty of every disbursing officer to reduce to the utmost his demands upon the Public Treasury, and not to draw money in advance of his immediate requirements. This applies as much to an officer who has a drawing account with a Presidency Bank, as to one who has a treasure-chest: the balances at credit of drawing accounts and deposited in treasure-chests should alike be kept down to the lowest possible amounts. It is the duty of Accountants-General to watch these accounts with a view to securing this object, and to bring to immediate notice any apparent transgression of these instructions; and they and District Officers are entitled to ask any question which they think necessary in order to enable them to ascertain that these instructions are obeyed.

9. No separate drawing account should be allowed to any public officer without the permission of the Governor-General in Council; and the Comptroller-General and each Accountant-General should now report the particulars of every existing account of this nature, and state whether it may not be closed, an assignment or a letter of credit being substituted therefor. Such letters of credit should be at once substituted for credit orders to the disbursing officers in the Public Works Department wherever it is practicable.

10. With the yearly estimates prescribed in paragraph 3, each Accountant-General and Deputy Accountant-General will make a brief report of his management during the preceding year of the movement of funds to and from the Treasuries in account with him. A copy of this report should be furnished to the Local Government for their information, and to assist them in carrying out the duties referred to in paragraph 7 of this Resolution. These estimates and reports should be submitted by the Account Officers to the Comptroller-General, who should as soon as possible compile a statement of the Minimum Working Balances demanded for each Province, month by month, during the coming year, adding figures for the Treasuries in direct account with himself, and submit the same to the Government of India with his criticisms and a brief report upon the supply and movement of funds throughout India since his last report.

11. The Governor-General in Council hopes that the effect of these measures will be, that experience will be systematically accumulated upon the important question of how most effectually to reduce and most economically to administer the working balances of India. The Comptroller-General's report, which should criticise provincial proceedings, pointing out mistakes and commending successful management, will be communicated to the several Accountants-General and Deputy Accountants-General in independent charge with any orders which the Government of India may think expedient.

12. One result of more systematic attention to these subjects will, it is hoped, be greater accuracy in the monthly Resource Estimates, which are now habitually so wide of the mark as to be almost worthless.

13. In giving effect to these orders, the Accountant-General, Bengal, in particular should act in close personal communication with the Comptroller-General, and all Accountants-General should be ready to co-operate loyally with that officer in his administration of the public balances to the best common advantage.

ORDERED, that this Resolution be communicated for information and guidance to every Local Government, to the Comptroller-General, and to each Accountant-General and Deputy Accountant-General in independent charge.

ORDER.—Ordered, that a copy of this Resolution be forwarded to the Public Works Department for information and further orders.

Resolution by the Government of India, Financial Department, dated 13th March 1879, No. 1,135.

Read again—

Resolution No. 384, dated 25th January 1879, upon the subject of the Public Balances.

RESOLUTION.—In continuation of this Resolution, the Governor-General in Council deems it necessary to state authoritatively that the Officer charged with the management of the Public Balances, and their movement from place to place, is the Comptroller-General, who is responsible to the Government of India only.

2. For the successful management of this Department of the administration, it is necessary—

1st, that it should be kept in the hands of one Head only, and that the Local Government should not be responsible for, or interfere with, this branch of the public service; and

2ndly, that the amount and distribution of the Public Balances should be regulated exclusively by the necessities of the State, without regard to particular private interests, which cannot justify the least deviation from what the Comptroller-General considers to be the direct and immediate interests of the State.

3. The Governor-General in Council considers it further expedient to state, for the information of the Local Governments, that Accountants-General are responsible to the Comptroller-General and the Government of India only, and not to the Local Governments, for their management of the Public Balances.

4. If a Local Government has any objection to the action of the Accountant-General or the Comptroller-General in this branch of their business, it should address the Government of India and should not meanwhile exercise any direct interference with the proceedings of the Officers of the Imperial Financial Department.

Ordered, that this Resolution be distributed for information and guidance as follows :—

(1.) To the several Departments of the Government of India.

(2.) To the several Local Governments and Administrations.

(3.) To the Comptroller-General and to the several Accountants-General and Deputy Accountants-General in independent charge.

No. 110. Order thereon, 16th May 1879, No. 1,386 W.

Recorded with reference to G.O., No. 610 W, dated 28th February 1879.

(True Extract.)

Major, R.E.,
Ag. Under Secy. to Govt., P.W.D.

To the Chief Engineer for Irrigation.
" Consulting Engineer for Railways.

Exd. S. T. Austin.
Spare Copies

GENERAL.
ACCOUNT.

Govt. of (1879) Madras.

PUBLIC WORKS.

To

THE CHIEF ENGINEER FOR IRRIGATION,
&c., &c., &c.

Dated May 16th.

Issued

Recd. Encl.

G. O., 16th May 1879, No. 1,386 W.

MAY.

Nos. 109-110.

Management of the Public Balances and matters connected therewith.—Circular from the Government of India communicating Resolution regarding the —, recorded.

1386/4

Circular No. 23 Public Works.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

Simla, April 15, 1879.

The Governments of Madras and Bombay, in the Public Works Department, General, Irrigation, and Railway Branches.
The Governments of Bengal, North-Western Provinces and Oudh, and Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents to the Governor General for Central India and Rajputana.
The Superintendent of Port Blair and Chief Commissioner, Andaman and Nicobar Islands.
The Director General of Telegraphs.
The Inspector General of Military Works.
The Directors of State Railways.
The Director of State Railway Stores.
The Director-in-Chief, Indo-European Telegraph.
The Director, Persian Telegraph.
The Deputy Director, Persian Gulf Telegraph.
The Consulting Engineers to the Government of India for Guaranteed Railways, Calcutta, Lahore, and Lucknow.

Copy of the following forwarded to the Local Governments, Administrations, and Officers noted in the margin for information and guidance, also to the Accountant General, Public Works Department, for issue of the necessary subsidiary instructions in communication with the Comptroller General of Accounts.

By order, &c.

Alex J. Filgate Major, R.E.,
Offg. Dy. Secy. to Govt. of India.

No. 1450, dated 25th March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read the following :—

No. 384, dated 25th January 1879.

I.—Read again Accounts and Finance Proceedings for 1877, as follows :—

March (No. 40), instituting enquiries as to the minimum working balance required at the beginning of each calendar month in the Treasuries in the interior of the country in account respectively with the Comptroller General and with each Accountant General and Deputy Accountant General in independent charge—

March, 44—46 and 51—56;
April, 1—3 and 4—7;
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August, 12—15 and 51—62;
October, 37—41;
November, 47—53,

containing the replies to the foregoing enquiries, and orders thereon.

II.—Read the following correspondence with the Accountant General, Madras, regarding the balances in the Treasuries in account with that officer on the 31st March 1878 :—

Telegram from Accountant General, 25th April.		
Telegram to	ditto,	dated 26th April and 7th and 18th May.
Telegram from	ditto,	dated 18th and 20th May.
Letter to	ditto,	No. 641, dated 22nd May 1878.
From	ditto,	No. 1532, dated 20th May.
Telegram to	ditto,	dated 4th June.
Letter from	ditto,	No. 1908, dated 24th May 1878.
Letter from	ditto,	No. 2873, dated 29th May 1878.

From this correspondence it appears that the provincial returns of money in the Public Treasuries and at credit of Government in the Presidency Banks include the balances of Public Works Officers at the Presidency Banks and their Branches, and cash in the hands of Public Works disbursers. It has been ascertained otherwise that advances in the hands of other disbursing officers, for instance, in Military chests, and with the Postal, Telegraph, Forest, and Opium Departments, are likewise returned as money in hand.

To The Secretary to the Govt. of Madras,
P.W.D. Irrigation Br.

Resolution.—The Governor General in Council is pleased to direct that in future—

I.—The Returns of Money in the Public Treasuries, or at credit of the Government in the Presidency Banks and their Branches, shall not include sums in the hands of disbursing officers or standing at their credit in separate drawing accounts.

II.—But no money belonging to the Government in a Public Treasury, or at its credit in a Presidency Bank or Branch of a Presidency Bank, shall be excluded from those Returns by reason of any pending or forthcoming claim upon it, as, for example, of credits issued to the Public Works Department not yet exhausted or acted on.

2. The Resource Estimates must be prepared upon the basis thus defined, and the Comptroller General must make arrangements to ensure that the Public Accounts shall work up to the balances so ascertained.

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5. His Excellency in Council desires once more to remind these officers that it is one of their most important duties to reduce the working balance of the Treasuries in account with them to the lowest possible amount. This cannot readily be done if these Treasuries usually contain a margin in excess of current requirements. So far therefore as is consistent with economy, surplus money should never be left in any Treasury which is not a Central Treasury where money is accumulated ready for remittance elsewhere on the demand of the Comptroller General.

6. Each Accountant General must carefully consider how far the situation of each Treasury compels him, at certain seasons of the year, to keep it supplied in advance to prevent costly arrangements for its recruitment later on. On no other consideration should surplus assets be left long in any Treasury except a Central Treasury.

7. The Local Government should devise means for reducing to the lowest possible amount the money left in Sub-divisional, Tahsil, Taluka, and other outlying and subsidiary Treasuries. The number of such subsidiary Treasuries is already great, and is likely to increase; and any procedure involving the retention of money in these Treasuries must tend to increase the amount lying idle, which it is so important to restrict. The sums thus absorbed in the Madras and Bombay Presidencies is much in excess of the demands of the other Provinces, and the attention of the Governments of Madras and Bombay and of the Accountants General of those Presidencies is again specially invited to this subject.

8. Further, it is the duty of every disbursing officer to reduce to the utmost his demands upon the Public Treasury, and not to draw money in advance of his immediate requirements. This applies as much to an officer who has a drawing account with a Presidency Bank, as to one who has a treasure-chest: the balances at credit of drawing accounts and deposited in treasure-chests should alike be kept down to the lowest possible amounts. It is the duty of Accountants General to watch these accounts with a view to securing this object, and to bring to immediate notice any apparent transgression of these instructions; and they and District Officers are entitled to ask any question which they think necessary in order to enable them to ascertain that these instructions are obeyed.

9. No separate drawing account should be allowed to any public officer without the permission of the Governor General in Council; and the Comptroller General and each Accountant General should now report the particulars of every existing account of this nature, and state whether it may not be closed, an assignment or a letter of credit being substituted therefor. Such letters of credit should be at once substituted for credit orders to the disbursing officers in the Public Works Department wherever it is practicable.

10. With the yearly estimates prescribed in paragraph 3, each Accountant General and Deputy Accountant General will make a brief report of his management during the preceding year of the movement of funds to and from the Treasuries in account with him. A copy of this report should be furnished to the Local Government for their information, and to assist them in carrying out the duties referred to in paragraph 7 of this Resolution. These estimates and reports should be submitted by the Account Officers to the Comptroller General, who should as soon as possible compile a statement of the Minimum Working Balances demanded for each Province, month by month, during the coming year, adding figures for the Treasuries in direct account with himself, and submit the same to the Government of India with his criticisms and a brief report upon the supply and movement of funds throughout India since his last report.

11. The Governor General in Council hopes that the effect of these measures will be, that experience will be systematically accumulated upon the important question of how most effectually to reduce and most economically to administer the working balances of India. The Comptroller General's report, which should criticise provincial proceedings, pointing out mistakes and commending successful management, will be communicated to the several Accountants General and Deputy Accountants General in independent charge with any orders which the Government of India may think expedient.

1386/5

12. One result of more systematic attention to these subjects will, it is hoped, be greater accuracy in the monthly Resource Estimates, which are now habitually so wide of the mark as to be almost worthless.

13. In giving effect to these orders, the Accountant General, Bengal, in particular should act in close personal communication with the Comptroller General, and all Accountants General should be ready to co-operate loyally with that officer in his administration of the public balances to the best common advantage.

Ordered, that this Resolution be communicated for information and guidance to every Local Government, to the Comptroller General, and to each Accountant General and Deputy Accountant General in independent charge.

Order.—Ordered, that a copy of this Resolution be forwarded to the Public Works Department for information and further orders.

No. 1135, dated 13th March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read again—

Resolution No. 384, dated 25th January 1879, upon the subject of the Public Balances.

Resolution.—In continuation of this Resolution, the Governor General in Council deems it necessary to state authoritatively that the Officer charged with the management of the Public Balances, and their movement from place to place, is the Comptroller General, who is responsible to the Government of India only.

2. For the successful management of this Department of the administration, it is necessary—

1st, that it should be kept in the hands of one Head only, and that the Local Government should not be responsible for, or interfere with, this branch of the public service; and

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(3) To the Comptroller General and to the several Accountants General and Deputy Accountants General in independent charge.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

To

Circular No. 23 Public Works.

Dated Simla, April 15, 1879.

Received

Management of the Public Balances, and matters connected therewith.

Govt. C. B. Press, Simla,—No. 13, P. W., A. B.—17-4-79.—640.

9 W/14

1386/6

Circular No. 23 Public Works.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

Simla, April 15, 1879.

The Governments of Madras and Bombay, in the Public Works Department, General, Irrigation, and Railway Branches.
The Governments of Bengal, North-Western Provinces and Oudh, and Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents to the Governor General for Central India and Rajputana.
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The Director General of Telegraphs.
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Letter to	ditto,	No. 641, dated 22nd May 1878.
From	ditto,	No. 1522, dated 20th May.
Telegram to	ditto,	dated 4th June.
Letter from	ditto,	No. 1908, dated 24th May 1878.
Letter from	ditto,	No. 2373, dated 20th May 1878.

From this correspondence it appears that the provincial returns of money in the Public Treasuries and at credit of Government in the Presidency Banks include the balances of Public Works Officers at the Presidency Banks and their Branches, and cash in the hands of Public Works disbursers. It has been ascertained otherwise that advances in the hands of other disbursing officers, for instance, in Military chests, and with the Postal, Telegraph, Forest, and Opium Departments, are likewise returned as money in hand.

To The Secretary to the Govt. of Madras,
P.W.D. Railway Bh

With 2 spare

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Accountants General and Deputy Accountants General in independent charge with any orders which the Government of India may think expedient.

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Ordered, that this Resolution be communicated for information and guidance to every Local Government, to the Comptroller General, and to each Accountant General and Deputy Accountant General in independent charge.

Order.—Ordered, that a copy of this Resolution be forwarded to the Public Works Department for information and further orders.

No. 1135, dated 13th March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read again—

Resolution No. 384, dated 25th January 1879, upon the subject of the Public Balances.

Resolution.—In continuation of this Resolution, the Governor General in Council deems it necessary to state authoritatively that the Officer charged with the management of the Public Balances, and their movement from place to place, is the Comptroller General, who is responsible to the Government of India only.

2. For the successful management of this Department of the administration, it is necessary—

1st, that it should be kept in the hands of one Head only, and that the Local Government should not be responsible for, or interfere with, this branch of the public service; and

2ndly, that the amount and distribution of the Public Balances should be regulated exclusively by the necessities of the State, without regard to particular private interests, which cannot justify the least deviation from what the Comptroller General considers to be the direct and immediate interests of the State.

3. The Governor General in Council considers it further expedient to state, for the information of the Local Governments, that Accountants General are responsible to the Comptroller General and the Government of India only, and not to the Local Governments, for their management of the Public Balances.

4. If a Local Government has any objection to the action of the Accountant General or the Comptroller General in this branch of their business, it should address the Government of India, and should not meanwhile exercise any direct interference with the proceedings of the Officers of the Imperial Financial Department.

Ordered, that this Resolution be distributed for information and guidance as follows:—

(1) To the several Departments of the Government of India.

(2) To the several Local Governments and Administrations.

(3) To the Comptroller General and to the several Accountants General and Deputy Accountants General in independent charge.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

To

Mis

Circular No. 23 Public Works.

Dated Simla, April 15, 1879.

Received

G O No 1386 W
16 - 5 - 79

Management of the Public Balances, and matters connected therewith.

Govt. C. B. Press, Simla,—No. 13, P. W., A. B.—17-4-79.—640.

1386/8

Circular No. 23 Public Works.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

Simla, April 15, 1879.

The Governments of Madras and Bombay, in the Public Works Department, General, Irrigation, and Railway Branches.
The Governments of Bengal, North-Western Provinces and Oudh, and Punjab, in the Public Works Department, General and Irrigation Branches.
The Chief Commissioners, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents to the Governor General for Central India and Rajputana.
The Superintendent of Port Blair and Chief Commissioner, Andaman and Nicobar Islands.
The Director General of Telegraphs.
The Inspector General of Military Works.
The Directors of State Railways.
The Director of State Railway Stores.
The Director-in-Chief, Indo-European Telegraph.
The Director, Persian Telegraph.
The Deputy Director, Persian Gulf Telegraph.
The Consulting Engineers to the Government of India for Guaranteed Railways, Calcutta, Lahore, and Lucknow.

P. 1

Copy of the following forwarded to the Local Governments, Administrations, and Officers noted in the margin for information and guidance, also to the Accountant General, Public Works Department, for issue of the necessary subsidiary instructions in communication with the Comptroller General of Accounts.

By order, &c.

Alex. J. Filgate Major, R.E.,
Offg. Dy. Secy. to Govt. of India.

No. 1450, dated 25th March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read the following :—

No. 384, dated 25th January 1879.

I.—Read again Accounts and Finance Proceedings for 1877, as follows :—

March (No. 40), instituting enquiries as to the minimum working balance required at the beginning of each calendar month in the Treasuries in the interior of the country in account respectively with the Comptroller General and with each Accountant General and Deputy Accountant General in independent charge—

March, 44—46 and 51—56;
April, 1—3 and 4—7;
July, 122—132;
August, 12—15 and 51—62;
October, 37—41;
November, 47—53,

containing the replies to the foregoing enquiries, and orders thereon.

P. 2

II.—Read the following correspondence with the Accountant General, Madras, regarding the balances in the Treasuries in account with that officer on the 31st March 1878 :—

Telegram from Accountant General, 25th April.

Telegram to	ditto,	dated 26th April and 7th and 18th May.
Telegram from	ditto,	dated 18th and 20th May.
Letter to	ditto.	No. 641, dated 22nd May 1878.
From	ditto,	No. 1532, dated 20th May.
Telegram to	ditto,	dated 4th June.
Letter from	ditto,	No. 1908, dated 24th May 1878.
Letter from	ditto,	No. 2373, dated 29th May 1878.

From this correspondence it appears that the provincial returns of money in the Public Treasuries and at credit of Government in the Presidency Banks include the balances of Public Works Officers at the Presidency Banks and their Branches, and cash in the hands of Public Works disbursers. It has been ascertained otherwise that advances in the hands of other disbursing officers, for instance, in Military chests, and with the Postal, Telegraph, Forest, and Opium Departments, are likewise returned as money in hand.

To The Secretary to the Govt of Madras,
Public Works Deptt.

with 3 spares

1

Resolution.—The Governor General in Council is pleased to direct that in future—

I.—The Returns of Money in the Public Treasuries, or at credit of the Government in the Presidency Banks and their Branches, shall not include sums in the hands of disbursing officers or standing at their credit in separate drawing accounts.

II.—But no money belonging to the Government in a Public Treasury, or at its credit in a Presidency Bank or Branch of a Presidency Bank, shall be excluded from those Returns by reason of any pending or forthcoming claim upon it, as, for example, of credits issued to the Public Works Department not yet exhausted or acted on.

2. The Resource Estimates must be prepared upon the basis thus defined, and the Comptroller General must make arrangements to ensure that the Public Accounts shall work up to the balances so ascertained.

3. The Minimum Monthly Balances ascertained for each Province by the Proceedings recited in the first section of the preamble have not been found practically trustworthy: circumstances so vary from time to time, that it seems often impossible to enforce any permanent standing minima.

4. In future, therefore, each Accountant General and Deputy Accountant General in independent charge must prepare a fresh estimate in each successive month of February of the minimum working balances which will be required in the Treasuries in account with him at the beginning of each month of the ensuing financial year.

5. His Excellency in Council desires once more to remind those officers that it is one of their most important duties to reduce the working balance of the Treasuries in account with them to the lowest possible amount. This cannot readily be done if these Treasuries usually contain a margin in excess of current requirements. So far therefore as is consistent with economy, surplus money should never be left in any Treasury which is not a Central Treasury where money is accumulated ready for remittance elsewhere on the demand of the Comptroller General.

6. Each Accountant General must carefully consider how far the situation of each Treasury compels him, at certain seasons of the year, to keep it supplied in advance to prevent costly arrangements for its recruitment later on. On no other consideration should surplus assets be left long in any Treasury except a Central Treasury.

7. The Local Government should devise means for reducing to the lowest possible amount the money left in Sub-divisional, Tahsil, Taluka, and other outlying and subsidiary Treasuries. The number of such subsidiary Treasuries is already great, and is likely to increase; and any procedure involving the retention of money in these Treasuries must tend to increase the amount lying idle, which it is so important to restrict. The sums thus absorbed in the Madras and Bombay Presidencies is much in excess of the demands of the other Provinces, and the attention of the Governments of Madras and Bombay and of the Accountants General of those Presidencies is again specially invited to this subject.

8. Further, it is the duty of every disbursing officer to reduce to the utmost his demands upon the Public Treasury, and not to draw money in advance of his immediate requirements. This applies as much to an officer who has a drawing account with a Presidency Bank, as to one who has a treasure-chest: the balances at credit of drawing accounts and deposited in treasure-chests should alike be kept down to the lowest possible amounts. It is the duty of Accountants General to watch these accounts with a view to securing this object, and to bring to immediate notice any apparent transgression of these instructions; and they and District Officers are entitled to ask any question which they think necessary in order to enable them to ascertain that these instructions are obeyed.

9. No separate drawing account should be allowed to any public officer without the permission of the Governor General in Council; and the Comptroller General and each Accountant General should now report the particulars of every existing account of this nature, and state whether it may not be closed, an assignment or a letter of credit being substituted therefor. Such letters of credit should be at once substituted for credit orders to the disbursing officers in the Public Works Department wherever it is practicable.

10. With the yearly estimates prescribed in paragraph 3, each Accountant General and Deputy Accountant General will make a brief report of his management during the preceding year of the movement of funds to and from the Treasuries in account with him. A copy of this report should be furnished to the Local Government for their information, and to assist them in carrying out the duties referred to in paragraph 7 of this Resolution. These estimates and reports should be submitted by the Account Officers to the Comptroller General, who should as soon as possible compile a statement of the Minimum Working Balances demanded for each Province, month by month, during the coming year, adding figures for the Treasuries in direct account with himself, and submit the same to the Government of India with his criticisms and a brief report upon the supply and movement of funds throughout India since his last report.

11. The Governor General in Council hopes that the effect of these measures will be, that experience will be systematically accumulated upon the important question of how most effectually to reduce and most economically to administer the working balances of India. The Comptroller General's report, which should criticise provincial proceedings, pointing out mistakes and commending successful management, will be communicated to the several Accountants General and Deputy Accountants General in independent charge with any orders which the Government of India may think expedient.

12. One result of more systematic attention to these subjects will, it is hoped, be greater accuracy in the monthly Resource Estimates, which are now habitually so wide of the mark as to be almost worthless.

13. In giving effect to these orders, the Accountant General, Bengal, in particular should act in close personal communication with the Comptroller General, and all Accountants General should be ready to co-operate loyally with that officer in his administration of the public balances to the best common advantage.

Ordered, that this Resolution be communicated for information and guidance to every Local Government, to the Comptroller General, and to each Accountant General and Deputy Accountant General in independent charge.

Order.—Ordered, that a copy of this Resolution be forwarded to the Public Works Department for information and further orders.

No. 1135, dated 13th March 1879.

RESOLUTION—By the Government of India, Financial Department.

Read again—

Resolution No. 384, dated 25th January 1879, upon the subject of the Public Balances.

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G.O. P. 610 W. 28-2-79

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.

General.

To

Procg 16-5-79 No. 1386 W.

Circular No. 23 Public Works.

Dated Simla, April 15, 1879.

Received

Management of the Public Balances, and matters connected therewith.

109

Govt. C. B. Press, Simla,—No. 13, P. W., A. B.—17-4-79.—640.

Cir 9/5 Etd 13-5-79

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1386/10 No. 1386 W. P.W.D.

Proceedings of the Madras ~~Govt.~~ Genl. Acctt.

Under date the 16th May/79

Read the following:—

From

The Govt. of India (W.C. No. 23. d/15th Apl/79

Recorded with reference to G.O. No. 610. W. d/ 28th February 1879.

Chief Engr. for Irrgn. & R.
Consltg. Engr. for Rlys. Circ

Despd 27-5-79

5/5/79

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Govt. of 1879 Madras.

PUBLIC WORKS.

To

17/5

Dated

Issued

Recd. Encl.

G.O. 16 May 1879, No. 1386 W

Nos. 109–110

Management of the Public Balances, and matters connected there with – Circular from the Government of India communicating Resolution regarding the – precedes