

B. H. ...

Commenced to
the Ear of P. W. Accounts.

On ~~11/11/11~~

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To the ...

sent to ...

11/11/11

GOVERNMENT OF INDIA
PUBLIC WORKS DEPARTMENT.

ACCOUNT
General

To

Circular No. 16 Public Works,
Dated 8th September 1882.
Re: 1001

NO. 1.

MADRAS 18TH JANUARY 1883.

FROM,

ERNEST BARCLAY,

GOVERNMENT SOLICITOR,

MADRAS.

TO,

THE SECRETARY TO GOVERNMENT.

PUBLIC WORKS DEPARTMENT.

MADRAS.

SIR,

1. WITH REFERENCE TO THE PROCEEDINGS OF GOVERNMENT.
PUBLIC WORKS DEPARTMENT DATED 19TH DECEMBER 1882 NO. 3353 I
RETURN HERewith THE SET OF FORMS SENT THEREWITH, THE CIRCULAR
OF THE GOVERNMENT OF INDIA DATED 21ST SEPTEMBER 1882 AND THE
FORM OF SECURITY BOND ACCOMPANYING SAME.
2. THE RESOLUTION OF THE GOVERNMENT OF INDIA SET OUT
IN THE CIRCULAR RELATES ONLY TO FORMS OF SECURITY TO BE TAKEN
FROM TREASURERS AND OTHER OFFICERS OF GOVERNMENT WHO ARE EN-
TRUSTED WITH THE CHARGE OF PUBLIC MONEY AND NOT TO THE
SECURITY TO BE TAKEN FROM PERSONS WHO ENTER INTO CONTRACTS
WITH GOVERNMENT FOR THE PERFORMANCE OF WORK. THE FORM OF
BOND FURNISHED BY THE GOVERNMENT OF INDIA WOULD BE QUITE
UNSUITABLE FOR THE LATTER CLASS OF CASES.
3. I HAVE NUMBERED THE SET OF FORMS IN RED PENCIL FROM
1 TO 27. THE ONLY FORMS AMONGST THEM WHICH RELATE TO SERVANTS
OF GOVERNMENT ARE THOSE NUMBERED 6, 7, 8 AND 9. IN THESE

YOU

Replies to the above.

From Government of Madras, No. 1264, dated 7th July 1881;—
From Chief Commissioner, Central Provinces, No. 2713-111, dated 22nd July 1881.
From Government of the Punjab, No. 2011, dated 26th July 1881.
From Government of the North-Western Provinces and Oudh, No. 1163, dated the 27th July 1881, and No. 1250, dated the 11th August 1881.
From Chief Commissioner, British Burma, No. 6340-59A, dated the 12th September 1881, and No. 5777-59A, dated the 22nd August 1881.
From Government of Bombay, No. 3123, dated the 17th September 1881.
From Chief Commissioner, Assam, No. 1713, dated the 10th December 1881.
To Comptroller General, No. 1019, dated the 27th June 1882.
From Comptroller General, No. 919, dated 22nd July 1882.

OBSERVATIONS.—In July 1880, the Government of Madras requested that the Accountant General might be authorised to sign on behalf of the Secretary of State agreements entered into with subordinates of the Account and Currency Departments. On enquiry as to the reason for this request, it was ascertained that the security bond of the Treasurer of the Currency Department was drawn up in the form of a memorandum of agreement between the Secretary of State, who agreed to employ the Treasurer, and the Treasurer, who agreed to perform certain duties. It was pointed out to the Accountant General that a contract of employment of this description was unauthorised, and he was directed to adopt the form of agreement employed in the case of the Treasurer of the Currency Department at Calcutta.

2. Objection was raised at the suggestion by the Comptroller General to the form of security bond in use in British Burma, and in December 1880 a reference was received from the Government of the North-Western Provinces suggesting the necessity for a revision of the form in use in the North-Western Provinces, in view of difficulties which had arisen in attempting to recover from the Treasurer of the Currency Treasury the loss caused to Government by certain forgeries at Lucknow. In the case the Advocate General advised that Government could not recover from the Treasurer such loss as had been occasioned by his agents selling forged bonds or revenue stamps, and that no recovery could be made except by a civil suit.

3. Accordingly, the Comptroller General was requested to prepare, in consultation with the Solicitor to Government, a form of bond for general guidance; and it has been ascertained from the Legal Advisers of Government that this form is free from the defects which prevented the recovery of the loss which was sustained in the North-Western Provinces.

RESOLUTION.—The Government in Council is pleased to direct that copies of the form of agreement there sealed shall be distributed for general information and guidance. It is not necessary or possible that all such bonds, to be executed in future, should be drawn up in the exact form which is now prescribed. Modifications will no doubt be required to meet the form of agreement suitable to particular cases, but it is important that there should be no little difference as possible in the nature of the obligation of the signatories to the bond, and the interests of Government must in every instance be fully secured.

2. The Government in Council has also observed that much diversity exists with regard to the nature and amount of the security taken in the several provinces. In some instances, landed property is pledged; in others, jewels, ornaments, and other movable property are accepted; in some provinces the rates and duties on revenue stamps are given. Although the most satisfactory form of security would be the deposit of Government promissory notes, it would obviously be impracticable to require that in all provinces, and under all circumstances, no other form of security should be received, and a discretionary power must be left to the local authorities in this matter. His Excellency in Council is therefore pleased to direct, 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 from Treasurers or other officers of Government who are entrusted with the charge of public money shall consist of promissory notes (including stock notes) of the Government of India.

His Excellency in Council also considers it expedient to re-affirm the well-known rule that the Revenue authorities, subject to the orders of the Local Government, are responsible for seeing that adequate security is taken from any of their subordinates (including all officers employed in District and Sub-Treasuries) who may be entrusted with the custody of public money.

ORDERED, that this Resolution be communicated, with a copy of the form referred to therein, to the several Departments of the Government of India, the several Local Governments, the Comptroller General, and several Accountants General, and the several Chiefs of Departments administered by the Government of India in the Department of Finance and Commerce.

Circular No. 16 Public Works.
GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.

ACCOUNT.
General.

Simla, 21st September 1882.

The Governments of Madras, Bombay, Bengal, the North-Western Provinces and Oudh, and the Punjab, in the Public Works Department.
The Chief Commissioners, Central Provinces, British Burma, Assam, and Coorg.
The Resident at Hyderabad.
The Resident at Mysore (through Foreign Department).
The Agents to the Governor General for Central India, Rajputana, and Biluchistan.
The Superintendent of Port Blair and Chief Commissioner, Andaman and Nicobar Islands.
The Director General of Telegraphs.
The Inspector General of Military Works.
The Accountant General, Public Works Department.
The Director General of Railways.
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.
The Accountant General, Bengal.

Copy of the following forwarded to the Local Governments and Administrations noted in the margin, for information and guidance.

A. J. FILGATE, Lieut.-Colonel, R.E.,
Deputy Secretary to Government of India.

No. 3454, dated 2nd September 1882.

Resolution by the Government of India, Department of Finance and Commerce.

READ the undermentioned correspondence on the subject of the security bonds taken from Treasurers in the service of Government:—

From Government of Madras, No. 1130, dated 5th June 1880, to the Government of India in the Home Department, requesting that the Accountant General, Madras, may be empowered to execute agreements on behalf of Government entered into by subordinates of the Account and Currency Departments.

To Accountant General, Madras, No. 1930, dated 23rd July 1880, asking for a copy of the Memorandum of agreement entered into by the Cashier of the Paper Currency Department.

From Accountant General, Madras, No. 837N., dated 6th August 1880, furnishing the same.

To Accountant General, Madras, No. 2704, dated 9th September 1880, pointing out objections to the form of the bond and recommending the use of the form employed at Calcutta.

From Accountant General, Madras, No. 1584, dated the 16th November 1880, intimating that the Calcutta form will be adopted.

From Government, North-Western Provinces and Oudh, No. 279, dated the 2nd December 1880, suggesting the necessity for a revision of the form of agreement in use in these provinces, in view of some difficulties which had arisen as to the recovery of the loss occasioned by the sale of forged stamps in Lucknow.

Letter to Comptroller General, No. 4019, dated the 11th December 1880, asking him to prescribe a form of security bond to be executed by Treasurers in the public service.

Circular letters in the Department of Finance and Commerce, Nos. 1377 and 1378, dated the 25th June 1881, asking for a copy of the form of bond used in each province, and a statement of the nature of security generally accepted.

and a full and complete discharge therefor obtained from such persons and places as the district officer of or other the person exercising his functions for the time being under the sanction of the Government of may direct or hath used and accounted for and despatched as aforesaid; AND WHEREAS the said in consideration of his said appointment has delivered to and deposited with and endorsed over to as such district officer as aforesaid Government securities to the extent of Rs. of which the numbers, amounts, and other particulars are set forth and specified in the Schedule hereunder written for the purpose of in part securing and indemnifying the said Secretary of State in Council, his successors, and assigns, against all loss and damage which he or they might or may in any way suffer by reason of the said property, or any part or parts thereof, of being in any way consumed, wasted, embezzled, stolen, misspent, lost, misapplied, or otherwise dishonestly, negligently, or by or through oversight or violence made away or parted with by himself the said, or any person acting for him in his said office, during his absence or otherwise, or by any sub-treasurers, servants, clerks, sircars, cash-keepers, poddars, coolies or other persons, nominated or accepted by or serving under him the said, or by any other person or persons whomsoever, whether in the service of Government or otherwise; AND WHEREAS the said (principal) and the said (1st surety) and (2nd surety) as his the said sureties in that behalf have entered into the above bond in the penal sum of conditioned for the due performance by him the said of the duties of the said office aforesaid and of other the duties appertaining thereto or which may lawfully be required of him and the indemnity of the said Secretary of State in Council and his servants against loss from or by reason of the acts or defaults of the said and of all and every the persons and person aforesaid.

Now the condition of the above written bond is such that if the said has whilst he has held the said office of treasurer as aforesaid always duly performed and fulfilled the said duties of the said office and other the duties aforesaid, and if he the said shall, whilst he shall hold the said office, always duly perform and fulfil all and every the duties thereof aforesaid, and further if the said and do and shall indemnify and save harmless the said Secretary of State in Council, his successors, and assigns, the Government of and all and every the person or persons who from time to time has or have held or shall hold or exercise the said office of District Officer, while the said has held or shall hold and enjoy the said office of Treasurer as aforesaid of and from all and every loss and damage which during the time the said has held, executed, and enjoyed the said office has happened or been sustained, or shall or may at any times or time hereafter during the time that he the said or his agent or agents, nominee or nominees, shall hold or exercise or act in the said office happen to or be sustained by the said Secretary of State in Council, his successors or assigns, the Government of or the said District Officer for the time being, by, from or through the means of the neglect, failure, misconduct, disobedience, omission or insolvency of the said or his said agent or agents, nominee or nominees, or of any of the sub-treasurers, servants, clerks, sircars, cash-keepers, poddars, coolies or other persons nominated accepted by or serving under him the said or his said agent or agents, nominee or nominees, or by, from or through the consuming, wasting, embezzling, stealing, misspending, losing, misapplying or otherwise dishonestly or negligently, or through oversight or violence, making away or parting with the said property or any part or parts thereof, by any person or persons whomsoever, whilst he or the said has acted or shall continue to act in the said office of Treasurer as aforesaid, then this obligation to be void and of no effect, otherwise the same shall be and remain in full force and virtue; Provided always, and it is hereby declared and agreed by the said and with the said Secretary of State in Council, that the Government Promissory Notes for Rs. so deposited as aforesaid respectively, or such other Government security or securities to the same amount as the District Officer for the time being of the Government of may

consent from time to time to accept and receive, and shall accordingly receive in lieu or exchange for the same and the interest thereof respectively, shall be and remain with the said District Officer for the time being or the Government of as and for part and additional security to the said Secretary of State in Council, his successors, and assigns for the purposes aforesaid, with full power to the said Secretary of State in Council, his successors or assigns, or his or their officers and servants, duly authorised in that behalf, from time to time, as occasion shall require, to sell and dispose of the said Government securities, or a sufficient portion thereof with the interest thereon, and to apply the proceeds thereof in and towards the indemnity as aforesaid of the said Secretary of State in Council, his successors, and assigns, as the case may require, but nevertheless the interest of the said Government securities may in the meantime be paid over, as the same shall be realised by the said District Officer for the time being, or the Government of if they shall think fit to the said the Secretary of State in Council.

Provided further, and it is hereby expressly agreed and declared between and by the said and with the consent of the said cil, that it shall be lawful for the said District Officer or of the other person exercising his functions for the time being under the sanction of the Government of first had and obtained to change and substitute for the said deposit of Government Promissory Notes or any part thereof, or for any substituted notes from time to time, other notes of the same or other loans of the same or greater value, without in any way affecting the obligation of the said bond or the liability of the said as such securities as aforesaid.

The Schedule above referred to

W.
EPT.

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Accompaniment to Public Works Department Circular No. 16P.W. of 1882.

FORM OF AGREEMENT.

KNOW all men by these presents that
of (1st surety) (Principal)
are held and firmly bound unto the Secretary of State for India
in Council in the sum of Rs. to be paid to the said Secretary of State
in Council, his successors or assigns, or his or their certain attorney or attornies,
for which payment will and truly to be made, we bind ourselves, our heirs, ex-
ecutors, administrators, and representatives jointly, and every two of us bind
ourselves, our heirs, executors, administrators, and representatives jointly, and
each of us binds himself, his heirs, executors, administrators, and representatives
severally, firmly by these presents, sealed with our seals, dated this day of
1881, and each of us, the said doth hereby for himself, his heirs,
executors, administrators, and representatives, covenant with the said Secretary
of State in Council, his successors, and assigns, that if any suit shall be brought
touching the subject matter of this obligation or the condition hereunder written
in any court, subject to the High Court of Judicature at other
than the said High Court in its Ordinary Original Jurisdiction, the same shall,
and may at the instance of the said Secretary of State in Council, be removed
into, tried, and determined by the said High Court in its Extraordinary Original
Jurisdiction.

WHEREAS the above bounden was on the day of
188 appointed to and now holds and exercises the office of Treasurer at
; AND WHEREAS, by virtue of such office, the said has, amongst
other duties, the care, charge, and oversight of and responsibility for the safe and
proper storing and keeping in the places appointed for the custody thereof re-
spectively of all money, specie, bullion, coin, jewels, Government currency notes,
stamps, and Government securities of whatever description, gold, silver, copper,
lead, goods, stores, chattels or effects stored and used at, received into or de-
spatched from the Treasury of or paid, deposited or brought into
the said Treasury by any person or persons whomsoever and for any purpose
or purposes whatsoever; AND WHEREAS the said as such Treasurer
as aforesaid is also responsible that all such moneys, specie, bullion, coin, jewels,
Government currency notes, stamps, and Government securities of whatsoever
description, gold, silver, copper, lead, goods, stores, chattels, or effects (hereinafter
together only called "the said property") are and is of full measure and
good quality when received into the said treasury, and until he has duly account-
ed therefor and for every part thereof in manner hereinafter referred to;
AND WHEREAS the said is bound whenever called upon
so to do to show to his superior officers that the said property and every part
thereof, save so much thereof as he has duly accounted for, is at all times in-
tact in the places aforesaid, and is also bound to attend for the purpose of
discharging his duties aforesaid at such times and places as his superior officers
may appoint; AND WHEREAS the said is further bound to
keep true and faithful accounts of the said property and of his dealings under
written orders of his superior officers therewith respectively in the form and
manner that may from time to time be prescribed under the authority of
Government, and also to prepare and submit such returns and such accounts as
he may from time to time be called upon to do; AND WHEREAS the bulk of the
said property remains as well in the care, charge, and custody of the Treasury
officer for the time being at as of the said
but as between himself and the said Secretary of State for India in Council
he the said is alone responsible and answerable therefor and
for every part thereof; AND WHEREAS the responsibility of the said
for the said property and every part thereof does not cease until
the same has been duly used under the written orders aforesaid and accounted
for or been duly despatched from the said Treasury and delivered over to

Communicated, with
of P.O. No. 2677 W & 14-
October 1882. to the Govt.
Solicitor, who is requested
to modify the form as
necessary.

the Govt. Solicitor with a copy of the
P.O. No. 2677 W & 14-
Oct 17-1882

[Handwritten signature]

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