

Public Works (1897) Department.

G.O., No. 3400 W

DATED 8th December 1897

[Despatch Abstract.]

Security from Public Servants: Ros. Financial Dept. Cancelling para 4 of Govt. 334 Financial 7/4/5.96 so far as it relates to Bank of Madras deposits receipt to but stating that the security deposits of Government Servants already lodged in the Bank will be allowed to continue until the expiry of the term of each deposit. Comd to Officers of the P.W.D.

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

15 - 11

1897

Enclosures

Spare copies 10

G.O., No. 868, 26th October 1897.

OCTOBER.

Communicated
to officers of the Public
Works Dept in con-
tinuation of E.O. 1912
of 2 July 1896.

Security from Public Servants.

Cancelling paragraph 4 of G.O., No. 334, Financial, dated 14th May 1896, so far as it relates to Bank of Madras deposits receipts; but stating that the security deposits of Government servants already lodged in the Bank will be allowed to continue until the expiry of the term of each deposit.

2x Reads
Supt of Wks L.A. Co. ✓

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—again the following papers:—

G.O., No. 1207, Financial, dated 16th September 1882.

ABSTRACT.—Communicating Resolution of the Government of India regarding the form of security bonds to be taken from treasurers in Government employ.

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.

G.O., Nos. 2684, 2685, Financial, dated 19th November 1884.

ABSTRACT.—Expressing opinion that the form of security bond prescribed by the Indian Guarantee and Suretyship Association, as now modified, may be safely accepted; and forwarding copy of these Proceedings to Government of India for information.

G.O., Nos. 502, 503, Financial, dated 6th July 1895.

ABSTRACT.—Directing, in supersession of all previous orders on the subject, that the policies of the Indian Guarantee and Suretyship Association shall not be accepted as security from any class of Government officers; requiring officers who have been allowed to deposit these policies to replace them by substantial security within six months from the date of receipt of this order; and forwarding copy of the Proceedings to the Government of India.

G.O., No. 638, Financial, dated 29th August 1895.

ABSTRACT.—Communicating to the Agents of the Sun Life Assurance Company of India (Limited) Proceedings, Revenue Department, declining to accept the policies of the said company as security for the conduct of Government servants.

G.O., No. 334, Financial, dated 14th May 1896.

ABSTRACT.—Informing the Agents of the Indian Guarantee and Suretyship Association and the Sun Life Assurance Company of India of the objections which preclude the acceptance of their policies as security for the conduct of public servants; and extending to one year the period of six months fixed for policies being replaced by substantial security.

G.O., No. 644, Financial, dated 29th September 1896.

ABSTRACT.—Passing orders on Proceedings of the Board of Revenue (Land Revenue) communicating to Collectors Government Order, Financial Department, informing the Agents of the Indian Guarantee and Suretyship Association and the Sun Life Assurance Company of India of the objections which preclude the acceptance of their policies as securities for the conduct of public servants and extending to one year the period of six months fixed for policies being replaced by substantial security.

READ—also the following papers:—

From F. C. HARRISON, Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 13th July 1897, No. 2137.

With reference to paragraph 4 of G.O., No. 334, Financial, dated the 14th May 1896, which directs that cash (including Bank of Madras deposit receipts) or its equivalent in promissory notes should be accepted as security from public servants, I have the honour respectfully to state that the opening of separate accounts outside the general account of Government is opposed to article 703 of the Civil Account Code.

2. The Comptroller-General has specially directed that security deposits as such should not be so held, but that the money should be lodged in the Postal Savings Bank whenever possible. If not, it should be converted into promissory notes.

3. In the circumstances, I have the honour to request that Government will be pleased to cancel the order in question so far as it relates to Bank of Madras deposit receipts or to obtain the sanction of the Government of India to the opening of the account referred to above.

Memo. No. 1646.

The Accountant-General is requested to be so good as to report the extent to which Bank of Madras deposit receipts have already been accepted as security from Government servants.

(Signed) J. F. PRICE,
Chief Secretary.

5th August 1897.

Proceedings of the Board of Revenue (Land Revenue), Mis. No. 3036, dated 14th August 1897.

Read—the following papers:—

From H. D. TAYLOR, Esq., Acting Collector of Ganjám, to the Secretary to the Commissioners of Land Revenue, dated Chatrapur, 29th May 1897, R.C. No. 1123-Acc.

I have the honour to submit the following for the orders of the Board.

2. The Deputy Tahsildar of Aska had to give a security of Rs. 3,000 as Sub-Treasury officer; and he deposited Rs. 500 in the Postal Savings Bank and Rs. 2,500 in the Bank of Madras, Tuticorin, in favour of the Collector. The latter deposit has been accepted under Board's Proceedings, No. 295 (Land Revenue), dated 3rd August 1896.

3. The Accountant-General now objects to the opening of a separate account outside the general account of Government in the Bank of Madras on account of security deposits and draws attention to article 703 of the Civil Account Code. A copy of the Accountant-General's letter No. 1561, dated 19th May 1897, is enclosed.

4. The Board's orders as to the acceptance of Bank of Madras receipts as security seem to clash with article 703 of the Civil Account Code. I therefore request that I may be informed whether I am to close the account with the Bank of Madras, Tuticorin, as requested by the Accountant-General.

ENCLOSURE.

From W. H. MICHAEL, Esq., Officiating Accountant-General, to the Collector of Ganjam, dated Fort St. George, 19th May 1897, No. 1561.

In reply to your letter No. 741, dated the 10th May 1897, I have the honour to inform you that the opening of a separate account outside the general account of Government in the Bank of Madras on account of security deposits is objectionable and cannot be permitted (*vide* article 703, Civil Account Code).

2. I request therefore that you will close the account as soon as possible and transfer the deposit to the District Postal Savings Bank in sum of not more than Rs. 500 opening as many accounts as are necessary.

3. Kindly report to me the fact of your having done so.

Reference thereon, dated 16th June 1897.

Referred to the Accountant-General for favour of remarks as to whether a separate account on account of security deposits may not be opened in the Bank of Madras with special sanction under Rules I and IV of article 703 of the Civil Account Code. It will be seen from G.Os., Nos. 304 and 334, Financial, dated 29th April 1896, and 14th May 1896, that the Government has permitted the acceptance of the Bank of Madras deposit receipts as security from public servants, and that the receipts are to be made out in favour of the Collector of the district for the time being.

From F. C. HARRISON, Esq., Officiating Accountant-General, to the Secretary to the Commissioners of Land Revenue, dated 25th June 1897, No. 1928.

With reference to your reference on No. 2730, dated the 16th June 1897, I have the honour to state that, under article 703, Civil Account Code, the sanction of the Government of India is necessary for the opening of separate accounts outside the general account of Government. The Comptroller-General has specially directed that security deposits as such should not be so held, but that the money should be lodged in the Post Office Savings Bank.

2. Should the transfer of the amounts in question to the Postal department be objectionable, they may be converted into promissory notes.

From J. TWIGG, Esq., Collector of Madura, to the Secretary to the Commissioners of Land Revenue, dated 17th July 1897, R. on C. No. 2079-Gl.

I have the honour to submit, for the orders of the Board, copies of the correspondence with the Accountant-General in regard to the opening of separate accounts with the Bank of Madras in the name of the Collector on account of securities furnished by certain Deputy Tahsildars in the shape of Bank of Madras deposits. In G.O., No. 304, Financial, dated 29th April 1896, and Board's Proceedings, No. 295, dated 3rd August 1896 (paragraph 1), it has been ordered that the Bank receipts should be made out in the name of the Collector of the district for the time being. But as the Accountant-General objects to this procedure, I request to be favoured with the orders of the Board. The Accountant-General suggests that the amounts should be drawn and deposited in the Postal Savings Bank in sums of not more than Rs. 500 each opening as many accounts as are necessary for each of the Deputy Tahsildars. As to this latter course, it is understood that, under the rules in force at present, more than one account is not allowed for one work, contract or service, and that the officer required to furnish security in sums exceeding Rs. 500 cannot be allowed to deposit in the Postal Savings Bank more than Rs. 500 in cash as security.

2. If the Bank of Madras deposits are now to be withdrawn, the depositors will lose interest on their deposits from the date of the payment of the sums into the Bank up to the date of withdrawal, interest having been stipulated to be paid on the understanding that the deposit is not withdrawn within one year.

ENCLOSURES.

Copy of communication from the Officiating Accountant-General, to the Collector of Madura, dated Fort St. George, 23rd April 1897, No. 1282.

I have the honour to state that in the statement of balances had by the Bank of Madras audits branches, on the 31st March 1897, at credit of Government officers in their official capacity, four different items of Rs. 1,000, 3,000, 1,500 and 3,000 are shown as fixed deposits at the Bank of Madras here in your favour, and to request that you will be good enough to inform me whether permission has been obtained for opening these accounts, and whether they cannot be dispensed with.

2. The nature and object of each account should be clearly stated.

Copy of communication from the Collector of Madura, to the Accountant-General, dated 8th May 1897, Dis. No. 1783.

In reply to your letter No. 1282, dated 23rd April 1897, I have the honour to state that the four items of deposits in the Bank of Madras therein referred to are the security deposits made by the Deputy Tahsildars in the zamindari tracts of this district, as security required by Standing Order No. 255 for their being in charge of sub-treasuries, and that they cannot therefore be dispensed with. This was done under the authority of Government conveyed in G.O., No. 304, Financial, dated 29th April 1896, embodied in Board's Proceedings, No. 195, dated 4th June 1896, copy herewith sent.

2. A memorandum showing the nature and object of each account is enclosed.

ENCLOSURE.

MEMORANDUM giving the particulars in respect of the fixed deposits in the Bank of Madras.

Consecutive number.	Amount of deposit.	Name of the depositor.	Object of the security.	Nature of security.	Date of deposit.
1	Rs. 1,000	C. Chockalingam Pillai.	For the office of the Deputy Tahsildar of Tirushuli.	Madras Bank deposit.	1897.
2	3,000	T. Thiagarama Iyer.	For the office of the Deputy Tahsildar of Sivaganga.	Do.	..
3	1,500	S. Muttusundram Iyer.	For the office of the Deputy Tahsildar of Tiruppattur.	Do.	4th Feb.
4	3,000	T. Kothandaram Aiyar.	For the office of the Deputy Tahsildar of Ramnad.	Do.	16th Feb.

Copy of communication from the Accountant-General, to the Collector of Madura, dated 12th May 1897, No. 1498.

In reply to your letter No. 1783, dated the 8th May 1897, I have the honour to inform you that the opening of separate accounts outside the general account of Government in the Bank of Madras on account of security deposits is objectionable and cannot be permitted.

2. I request therefore that you will close them as soon as possible and transfer the deposits to the District Postal Savings Bank in sums of not more than Rs. 500 opening as many accounts as are necessary for each of the Deputy Tahsildars.

3. Kindly report to me the fact of your having done so.

Reference thereon, dated 27th July 1897.

The undersigned has the honour to inquire what rate of interest is paid to Government servants lodging deposits in the Bank of Madras and in its branch banks by way of security for appointments held by such Government servants.

From the Secretary and Treasurer, Bank of Madras, No. 240, dated 31st July 1897.

With reference to your letter, No. 3488 of 29th instant, I have the honour to inform you that we are taking deposits fixed for twelve months at 3 per cent.

Resolution—Mis. No. 3036, dated 14th August 1897.

Submitted for the orders of Government.

2. In G.Os., No. 304, Financial, dated 29th April 1896, and No. 334, Financial, dated 14th May 1896, Government ordered that Bank of Madras deposit receipts might be accepted as security from public servants, provided that the receipts were made out in favour of the Collector of the district for the time being. Accordingly, the Deputy Tahsildar of Aska, who had to furnish a security of Rs. 3,000, deposited Rs. 500 in the Postal Savings Bank and Rs. 2,500 in the Bank of Madras, Tuticorin, in favour of the Collector. In his letter to the Collector of Ganjam, No. 1561, dated 19th May 1897, the Accountant-General objected, under article 703 of the Civil Account Code, to the opening of a separate account for security deposits outside the general account of Government in the Bank of Madras, and instructed the Collector to close the account with the Bank. Thereupon the Board in its reference, dated 16th June 1897, on G. R. No. 2730 of 1897, requested the Accountant-General to state whether a separate account, covering security deposits only, might not be opened in the Bank of Madras with special sanction under Rules I and IV of article 703 of the Civil Account Code. In the second paper read above, the Accountant-General states that the sanction of the Government of India will be necessary for adopting this procedure. He adds that the Comptroller-General has specially directed that deposits in Presidency Banks should not be permitted to be held as security, but that the money should either be lodged in the Post Office Savings Bank or converted into promissory notes. The Comptroller-General's reasons for rejecting deposits made in the Presidency Banks are not apparent.

3. The Board learns that the Bank of Madras pays for deposits renewable every twelve months only 3 per cent. which is $\frac{1}{2}$ per cent. less than the interest on Government promissory notes (disregarding premium) and $\frac{1}{8}$ per cent. less than that on Postal Savings Bank deposits. In these circumstances, the Board is of opinion that the purchase of Government promissory notes will be the best investment for Government servants who have to tender cash security, and accordingly recommends the withdrawal of the rule permitting security to be tendered in the shape of Bank of Madras deposits. It is suggested, however, that the deposits already lodged in the Bank may be allowed to stand for a full year so as to enable depositors to draw interest up to the date of withdrawal of the deposits.

(True Copies and Extract.)

(Signed) R. C. C. CARR,
Secretary.

To the Secretary to Government, Revenue Department,
" Collectors of Ganjam and Madura.

Endt. Mis. No. 4499.

Transferred to the Financial Department.

OOTACAMUND,
27th August 1897.

(Signed) G. STOKES,
Ag. Secretary to Government.

Endt. No. 1964.

Referred to the Accountant-General for favour of report as to whether there is any objection to the proposal contained in the last sentence of paragraph 3 of the Proceedings of the Board of Revenue (Land Revenue), Mis. No. 3036, dated 14th August 1897.

(By order.)

22nd September 1897.

(Signed) A. R. KNAPP,
Acting Under Secretary.

No. 2871.

Statement showing deposits in the Bank of Madras and its branches on account of security from Government servants.

By what officer.	Amount.	Remarks.
Bank of Madras ..	Rs. 5,000	Security deposit of Treasurer, Trichinopoly Collector's office.
Tuticorin Branch..	1,000	Security deposit of B. Hanumantha Row, Deputy Shroff, Huzur Treasury.
" ..	2,500	Security deposit of M.R.Ry. P. Meenakshisundaram Pillai, Deputy Tahsildar of Aska.
Bimlipatam Branch.	1,500	Security deposit of G. Gurumurthy Chetty, Head Shroff, Huzur Treasury.
" ..	500	Security deposit of B. Tulusiram, Second Shroff, Huzur Treasury.
" ..	2,000	Security deposit of T. Govinda Row Pantulu, Deputy Tahsildar, Parvatipuram.
Negapatam branch.	200	Security deposit of Rajagopala Naidu, Shroff, Tiratturaippundi taluk. The total amount of the security is Rs. 700, Rs. 500 of which is deposited in the Savings Bank.
" ..	1,000	Security deposit of M.R.Ry. D. Samidos Pillai, Deputy Tahsildar, Arantangi.
" ..	5,000	Security deposit of S. Ramasawmi Iyer, Huzur Treasurer, Tanjore.
Bank of Madras ..	1,000	Security deposit of C. Chockalingam Pillai, Deputy Tahsildar of Tirushuli.
" ..	3,000	Security deposit of T. Thiagarama Iyer, Deputy Tahsildar of Sivaganga.
" ..	1,500	Security deposit of S. Muthusundaram Iyer, Deputy Tahsildar of Tirupattur.
" ..	3,000	Security deposit of T. Cothundarama Iyer, Deputy Tahsildar of Ramanad.
" ..	650	Security deposit of P. Vasudeva Row, Acting Deputy Tahsildar of Pamban.
	27,850	

Forwarded to the Chief Secretary to Government, Financial Department, with reference to his official memorandum No. 1646, dated the 5th August 1897.

FORT ST. GEORGE,
16th September 1897.

(Signed) F. C. HARRISON,
Offg. Accountant-General.

From F. C. HARRISON, Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 8th October 1897, No. 3111.

With reference to your endorsement No. 1964, dated the 22nd September 1897, inquiring whether I have any objection to raise to the proposal of the Board of Revenue to allow the security deposits of Government servants already lodged in the Bank to continue until the expiry of the term of each deposit, I have the honour to state that I have none.

19120
2-7-96

ORDER—No. 868, Financial, dated 26th October 1897.

Paragraph 4 of G.O., No. 334, Financial, dated 14th May 1896, will be cancelled so far as it relates to Bank of Madras deposit receipts, but the security deposits of Government servants already lodged in the Bank will be allowed to continue until the expiry of the term of each deposit.

(True Extract.)

M. C. S. S. S.

for Chief Secretary.

To the Accountant-General.
„ the Board of Revenue (all departments).
„ the Marine Department.
„ the Revenue Department.
„ the Public Works Department. ✓
„ the Educational Department.
„ the Local and Municipal Department.
„ all heads of departments under the Chief Secretary.