

Political (1898) Department.

ORDINARY MS.

G.O., No 1709

DATED 6-10-98

INDEXED.

[Despatch Abstract.]

Recording from Finl dept
coming to the depts of the Secretariat resolution
of the Govt presenting revised rules for
calculating the capitalised value of all
permanent annual payments to or by Govt
& directing their republication in the F.S.G.
Gazette.

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 {1898} of Madras. FINANCIAL.

35000:14.
177...:18-3

P

Now
Look up Pt. J. J. M. & Dec 1887 & value of Commutation
grants & see how they apply & then

note put up
as
2/100/98

Cms
J. W.

Recd.

Regd.

1898.

Enclosures

Spare copies

G.O., No. 795, 16th September 1898.

Order No. 709.8 6/10/98
Msi

Recorded.

SEPTEMBER.

Cms.
ms.
a. 10/10/98

Revised T. & C. (20/10/98)

Deep
10/10/98

Commutation of Permanent Annual Payments.

Communicating to the departments of the Secretariat resolution of the Government of India prescribing the rules for calculating the capitalised value of all permanent annual payments to or by Government and directing their republication in the Fort St. George Gazette.

Copy heading only.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper:—

Proceedings from the Government of India, Finance and Commerce Department (Accounts and Finance—Rules and General Matters), dated Simla, the 24th August 1898, No. 3744-A.

Read—

Resolution in this Department, No. 1321, dated the 19th July 1872.

Resolution.—In supersession of the orders contained in the resolution read in the preamble, His Excellency the Governor-General in Council is pleased to prescribe the following rules for calculating the capitalised value of all permanent periodical payments to or by Government:—

(1) When Government is entitled to receive a periodical payment in perpetuity, and existing orders authorise the commutation of that payment for a single payment, the said single payment should not be less than thirty times the amount annually paid. If the payer is not willing to commute at this rate, the right to receive periodical payment should not be given up.

(2) When Government is under an obligation to make a periodical payment in perpetuity, and existing orders authorise the commutation of that payment for a single payment, the said single payment should not be more than twenty times the amount annually paid. If the payee is not willing to commute at this rate, the system of periodical payment should continue.

2. The above rules apply only to cases of actual commutation of payment. They do not affect any orders relating to the valuation of a grant, assessment, or other concession or demand, when such valuation is made for official purposes only, and not for the calculation of an actual payment.

3. Remissions of land revenue when made in the case of land taken up for a public purpose should be valued at twenty-five times the annual amount of land revenue remitted.

Order.—Ordered that this resolution be communicated to the several Departments of the Government of India, to all Local Governments (except Bengal) and administrations, to the Government of Bengal with reference to its letter No. 4681-F., dated the 21st August 1897, to the Comptroller and Auditor General and to all Accountants General and Comptrollers.

Ordered also that it be published in the *Gazette of India* for general information.

(Signed) J. B. BRUNYATE,
Under Secy. to the Govt. of India.

ORDER—No. 795, Financial, dated 16th September 1898.

Communicated to the departments of the Secretariat.

2. The resolution will be republished in the *Fort St. George Gazette*.

(True Extract.)

J. Williams
for Chief Secretary.

To all Departments of the Secretariat (except Legislative).
the Accountant-General.
Gazette.

Pall.

Exd. A. F. Eccleston.

In Reply ~~ME~~

The Resolution in the amount
into the effect that when Govt is
under an obligation to make a
periodical payment in perpetuity
+ existing orders authorize the com-
mutation of payment for a single
payment, the said single pay-
ment should not be more than
twenty times the amount an-
nually paid, the payer having
the option to refuse in which
case the periodical payment should
be continued

2. The Resolution does
not therefore appear to apply
to Political pensioners
as ~~various~~ ^{for} generally
^{as}
1. Govt is under no obligation
(in many cases)
to grant their pension.
2. The stipends are not
sanctioned in perpetuity
and 3. when the stipend is
under a certain amount

* vide para 3 infra

in the matter of commutation

3. There are Carnatic
Ripudiaries who are
in receipt of "perpetual"
stipends, e.g., the family
of the late Prince of Arcot
to whom pensions have
been granted in perpetuity.
But these from their
very nature could
not be commuted.

They are as it were "entail"

4. However if only a
comparison of the rates of
commutation is required
it may be noted that—
if (i) the Resolution of 1872, C
now superseded, were
applicable to Political
pensions, then a stipend
of Rs 2½ a month or Rs 25
a year would capitalise
for Rs 634.60 as if spec. Govt
paper was 1½ per cent.
if (ii) the present Resolution
be applicable, then the
maximum capital value

Encl Dept. No. 4. Accto. No. 1221
of Simla the 19th July 1872

Q. No. 350 Pldy. S. S. 87... B

Q. No. 835 Pldy. S. S. 87... A

but under the present ruling
obtaining it would be—

for a man at 20... $12.050 \times 25 = \text{Rs } 301.25$

" " " " 30... $11.237 \times 25 = \text{Rs } 280.92$

" " " " 40... $10.087 \times 25 = \text{Rs } 252.17$

for a woman at 20... $11.860 \times 25 = \text{Rs } 296.50$

" " " " 30... $11.311 \times 25 = \text{Rs } 282.77$

" " " " 40... $10.430 \times 25 = \text{Rs } 260.75$

Cd.
3/10/98

When given for copying _____
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When signed _____

189

READ AGAIN G.O., No.
189

, DATED

CURRENT No.

ENCLOSURES TO C. No.

ORDER OF GOVERNMENT.

A A A A A A A

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO

PAPERS NOT FILED UP, BEING MEANT FOR DESPATCH
IN ORIGINAL.

N.B.—

A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only.