

1. Name of the person
2. Date of birth
3. Initials of the person

M.B.O. 1-29,000-16-10-29.

MADRAS RECORD OFFICE.

Government of Madras.

Public DEPARTMENT.

G.O. No.

1385

Press
Mis.

Dated

5-11-

19 1867

Not to be folded or roughly handled

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*Proceedings of the Madras Government, Public Department,
5th November 1867.*

No. 29. Read the following letter from the Accountant General, Madras, to the Chief Secretary to Government, Fort Saint George; dated Fort Saint George, 19th October 1867, No. 232.

Book Department.

I have the honor to submit, for the consideration and orders of Government, a correspondence which has passed between the Collector of Coimbatore and Mr. Ouchterlony, the Vice-President of the Ootacamund Municipal Commission, relative to the right claimed by the latter Officer to make payments out of the municipal funds by means of cheques drawn on the Ootacamund Branch Bank, without reference to the Treasury Deputy Collector at Coimbatore.

2. Mr. Grant, it will be observed, denies this right, and points out that no separate account of the payments made on account of the municipal taxes is kept by the Branch Bank, and that the Agent, therefore, has no data by which to regulate his payments. It appears to me, however, on perusal of Sections 33 and 34 of the Municipal Act, that the authority claimed by Mr. Ouchterlony is clearly vested in the President and Vice-President of Municipal Commissions, and that it is incumbent upon the Agent of the Branch Bank to keep a separate account of the municipal funds. If the Government concur in my view, that the Vice-President can operate on the municipal funds without the intervention of the Collector or his Deputy, the requisite instructions will be issued to the Collector and Bank Agent, respectively.

From P. GRANT, Esq., Collector of Coimbatore, to the Accountant General, Fort Saint George; dated Coimbatore, 5th October 1867, No. 68.

With reference to the accompanying correspondence, noted in the margin, I have the honor

1 Original letter from the Vice-President of the Ootacamund Municipal Commission, dated 8th August 1867, No. 89.
1 Copy of reply to do., dated 17th August 1867, No. 52.
1 Original letter from do. do. 23rd do. , 93.
1 Copy of letter to the Agent of the Branch Bank at Ootacamund, dated 9th September 1867, No. 341.
1 Original letter from do., dated 13th September 1867, No. 3-320.

to request you will be good enough to favor me with your instructions on the subject therein alluded to.

2. You will observe that Mr. Ouchterlony, Vice-President of the Ootacamund Municipal Commission, claims, under Section 34 of the Towns' Improvement Act, the payment of his cheques on the Agent of the Branch Bank at Ootacamund from the municipal funds without orders from the Deputy Collector in charge of the Account Department at Coimbatore, whereas paragraph 7 of your letter, No. 331, dated 16th April 1867, directs that repayments of deposits will be made only upon the order of the Deputy Collector in charge of the Account Department. The Bank Agent states that he does not keep a register of deposits made by the Municipal Commissioners, but merely credits the amounts to Government as they are sent in. The Agent has, therefore, no data on which to regulate his payments with reference to the available funds. I, therefore, request that the matter may be referred to Government, as solicited by Mr. Ouchterlony, and their orders obtained thereon. If it is determined that payments to the Municipal Commission should be made only upon the cheques drawn by the Deputy Collector in charge of the Account Department, the best arrangement that could be made to obviate the difficulty complained of would be that suggested by Mr. Darling, viz., that the Vice-President be furnished monthly, by means of the Deputy Collector's cheques on the Branch Bank, with such amount as may be deemed necessary to meet his requirements, and that the amount of such cheques be then placed to the credit of the Vice-President in a simple current account with the Bank, and be operated upon by cheques supplied by the Bank.

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3. The Vice-President of the Coonoor Municipal Commission claims the same mode of payment as the Vice-President of the Ootacamund Commission, and the orders to be passed on one will be applicable to the other also.

4. I request to be favored with early orders on the subject, and that the original papers herewith sent, may be returned.

From J. OUCHTERLONY, Esq., Vice-President of the Municipal Commission, Ootacamund, to P. GRANT, Esq., President of the Municipal Commission, Ootacamund; dated Ootacamund, 8th August 1867, No. 89.

I have the honor to enclose a cheque drawn by me on the Bank here for Rupees 807-1-0, for the current wants of the Municipal Fund. Payment of this cheque has been refused, for the reason given in the Bank Agent's Memorandum.

2. I cannot understand this. The Bank is simply the place of deposit of the collections made for the Municipal Fund, in place of the Treasury. Section 34 of the Towns' Improvement Act provides, as plainly as words can convey a meaning, how such money is to be drawn out for municipal wants. When I conform strictly to the Act, I am told that I must refer to a functionary in another town at least 50 miles off.

3. I must be permitted to object, on principle, to any Executive Officer over-riding the distinct provisions of a legislative enactment by his own order.

4. But I object, further, that this round-about way of obtaining money is calculated to be very inconvenient to the current working of the Municipal Department.

5. The keeping of accounts at your Head Treasury can be amply ensured by a memorandum being furnished to yourself of all orders for money that may be drawn on the Bank.

6. I beg you will have the goodness to refer the question to Government.

Please refer to Accountant General's letter, No. 331, dated 16th April 1867, Clause VII:—

"The Registers of Deposits will continue to be kept as at present in the Collector's Offices, the Bank only receiving the amounts tendered and crediting them to the proper heads of account. Repayments of deposits will be made only upon the order of the Deputy Collector in charge of the Account Department.

BANK OF MADRAS,
OOTY, 8th August 1867.

(Signed) R. DARLING,
Agent.

From P. GRANT, Esq., Collector of Coimbatore, to J. OUCHTERLONY, Esq., Vice-President of the Ootacamund Municipal Commission; dated Coimbatore, 17th August 1867, No. 52.

I have received your letter of the 8th instant, No. 89, bringing to notice that the cheque for Rupees 807-1-0, which accompanied it, was refused payment by the Agent of the Branch Bank at Ootacamund, for the reasons given in his Memorandum, and requesting me to refer the question to Government.

2. Before making the reference applied for, I deem it right to inform you that, when orders or cheques drawn by a Municipal Commission are received, the Government Officer in charge of the Treasury should ascertain, by a reference to a Deposit Register, whether the available funds in favor of that Municipality are sufficient to meet the payments ordered; otherwise, mistakes will probably take place, as has already been the case—vide correspondence noted in the margin. The

Collector's letter to the Vice-President Ootacamund Municipal Commission, dated 10th May 1867, No. 27. Do. do. to the Secretary to do., 18th July 1867, No. 38.

Deposit Registers are, under the special orders of the Accountant General, kept in the Collector's Office, and not by the Bank Agent, who has, therefore, no means to ascertain the balance in favor of each Municipality. Under these circumstances, the Agent is correct in refusing payment without a cheque from the Treasury Deputy Collector at Coimbatore, and I do not think that a reference to Government on the subject is necessary. If, however, you wish it, I shall make the reference. A cheque for Rupees 807-1-0 on the Bank Agent is enclosed. I suggest that all your future applications for money from municipal funds be sent to the Treasury Deputy Collector at Coimbatore.

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From J. OUCHTERLONY, Esq., Vice-President of the Municipal Commission, Ootacamund, to P. GRANT, Esq., President of the Municipal Commission, Ootacamund; dated Ootacamund, 23rd August 1867, No. 93.

I have the honor to acknowledge receipt of your letter, No. 52, of 17th August.

2. With reference to paragraph 2 of this letter, I confess I can see nothing in what is stated to render necessary a deviation from the course plainly laid down in Section 34 of the Towns' Improvement Act. The Bank opens an account for the Municipal Fund of Ootacamund, and, in its ordinary course of business, has before it a daily view of the balance standing at the credit of the account. This balance is, or ought to be, the true "balance in favor of the Municipality," and there cannot possibly be required a reference elsewhere to check or confirm it. Money against this balance is drawn by some one duly qualified by the Act to sign the cheque, and the Bank will not pay such cheques if they exceed the amount at the credit of the account.

3. The only condition of things that would necessitate a reference to the Treasury at Coimbatore would be that money were drawn from the Municipal Fund otherwise than through the Municipal Commissioners, which I presume cannot be the case.

4. The mistakes referred to in your letter occurred through misunderstandings of the public offices, and could not possibly occur in a simple account with the Bank.

5. I apprehend, however, that there has been a misconception of the Accountant General's letter of the 11th April last, which does not mention municipal funds, and the Commissioners think it cannot have been intended to comprise these under the head of "Local Funds."

6. They request, however, that the question may be referred; for they consider that their views are in strict conformity with the Act, and strongly object to so anomalous a position as having to refer to an office 50 miles off to obtain money on every occasion that it may be required for the payment of the work they are called upon to perform.

From P. GRANT, Esq., Collector of Coimbatore, to the Agent of the Branch Bank, Ootacamund; dated Coimbatore, 9th September 1867, No. 341.

With reference to the accompanying copy of letter from the Vice-President of the Ootacamund Municipal Commission, dated 23rd ultimo, No. 93, I have the honor to request you will be good enough to inform me whether you have opened an account for the Municipal Fund of Ootacamund, and whether, in the event of the present system of cheques from the Treasury Deputy Collector in favor of the Commission being dispensed with, you will hold yourself responsible for so managing the payment of orders of the Vice-President as not to exceed the balance standing to the credit of the Commission in the public accounts. An early reply is desired, as I want to make a reference to the Accountant General on the subject.

From the Agent of the Branch Bank of Madras at Ootacamund, to the Collector of Coimbatore; dated Ootacamund, 13th September 1867, No. 3-320.

I am in receipt of your letter, No. 341, of 9th instant, with copy of Vice-President's letter accompanying. In reply, I beg to inform you that I do not keep a Register of deposits made by the Municipal Commissioners of this town, but merely credit the amounts to Government as they are sent in.

2. I would suggest, in order to obviate the difficulty complained of by the Vice-President, that he be furnished monthly, by means of the Deputy Collector's cheques on the Branch Bank, with such an amount as may be deemed necessary to meet his requirements. The amount of this cheque might then be placed to the credit of the Vice-President in a simple current account with the Bank, and be operated upon by him by cheques supplied by the Bank.

3. I would hold myself responsible that such an account should not be overdrawn, and the necessity for keeping a separate Register of Deposits would be dispensed with.

No. 30. ORDER THEREON, 5th November 1867, No. 1385.

The Ootacamund Branch Bank of Madras being used as a Government Treasury, and all sums collected under the Towns' Improvement Act in the Municipality

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5th November 1867.

of Ootacamund being paid into the Branch Bank under Section 33 of the Act, it is incumbent on the Agent of the Branch Bank to keep a separate account of the municipal funds, and the Vice-President is, in the absence of the President, authorized to draw upon the municipal funds, under Section 34 of the Act, without the intervention of the Treasury Authorities.

2. The rules under which the President considered that the Vice-President was debarred from drawing cheques on the Branch Bank without the intervention of the Treasury Deputy Collector appear to have been departmental orders only; the Accountant General will accordingly issue instructions to the Collector and the Bank Agent, as proposed by him.

(True Extract).

Chief Secretary.

To the Collector of Coimbatore.
„ Accountant General.

Please refer to Accountant General's letter
No. 331, dated 16th April 1867 - Clearance. ~~III~~
The Register of Deposits will continue to be
kept as at present in the Collector's Office,
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be made only upon the order of the Deputy
Collector in charge of the Account De-
partment.
Bank of Madras
Copy 8th Aug. 1867
J. H. D. L. C. Secy.

Public Department.

PROCEEDINGS of the MADRAS GOVERNMENT

Read the following
letter from the Accountant
General.

(Received 19th October 1878: 232)

Order thereon, 5th October 1878: 1388

The Colacamund Branch
Bank of Madras being used
as a Government Treasury
and all sums collected under
the Towns Improvement Act
in the Municipality of Col-
lacamund being paid into
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the Branch Bank to keep
a separate account of the
Municipal Funds; and the
Vice President is, in the
absence

R.

W. A.

absence of the President,
authorized to draw upon
the Municipal Funds under
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3 The rules under which
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Collector and the Bank
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him-

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Collector of Coimbatore
Accountant General

P. 11
1867. Department.

No. 1385-

PROCEEDINGS OF GOVERNMENT.

Dated 5th *March 1867*