

1. Number of pages 12
2. Date of receipt 8-1-37
3. Initials of [illegible]
M.R.O. 1-32,400-22-11-30.

MADRAS RECORD OFFICE.

Government of Madras.

Public DEPARTMENT.

G.O. No.	943	Press ~~Mis.~~
Dated	12-7-	18 69

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Department,
12th July 1869.

No. 56. Read the following letter from the Accountant General, Madras, to all Collectors and Commissioner of the Neilgherry Hills; dated Fort Saint George, 5th July 1869, No. 2221.

Book Department.

With reference to the extract marginally quoted from the Order of the Government of India, in the Financial Department, No. 2000A, of the 31st March 1869, I have the honour to inform you that the Municipalities in the Mofussil, when remitting monthly the one-twelfth part of the annual amount fixed by Government for the maintenance of the police, should make a deduction in their chellans of one-fourth of the amount, the remaining three-fourths alone being credited in the Treasury Accounts to XIV., "Police," minor head "Contributions from Municipal Fund on account of Police."

2. Under the above arrangement, the Municipalities when claiming twenty-five per cent. of their actual expenditure debitable to 27 "Miscellaneous," minor head "Contributions to Municipal Funds," should exclude from their claim the cost of police.

3. Sums overpaid by, or to, the Municipalities since April last need not now be refunded, but should be adjusted when they may next have occasion to remit or receive monies from the treasury.

4. I enclose ten copies of the Circular for distribution to the Municipalities in your district.

No. 57. ORDER THEREON, 12th July 1869, No. 943.

To be recorded.
(True Extract).

R. S. ELLIS,
Chief Secretary.

Ed. J. Wright,

Cont. of 1869 ~~and~~

PUBLIC.

Dated July, 12th.

Recd.

Encl.

G. O., 12th July 1869. No. 943.

JULY.

Nos. 50-57.

Recording the Accountant General's Circular
regarding contributions by Municipalities on ac-
count of police.

Contribution by Municipalities on account of the Police.

BOOK DEPARTMENT.

No. 2221.

Fort Saint George,
Accountant General's Office,
5th July 1869.

FROM THE ACCOUNTANT GENERAL,

TO THE GOVERNMENT OF MADRAS.

TO ALL COLLECTORS AND COMMISSIONER OF THE NEILGHERRY HILLS.

SIR,

With reference to the extract marginally quoted from the order of the Government of India, in the Financial Department, No. 2000 A of the 31st March 1869, I have the honor to inform you, that the Municipalities in the Mofussil, when remitting monthly the one-twelfth part of the cost of the Police by Government for the maintenance of the Police, should make a deduction in their chellans of one-fourth of the amount, the remaining three-fourths alone being credited in the Treasury Accounts to XIV "Police" minor head "Contributions from Municipal Fund on account of Police."

2. Under the above arrangement, the Municipalities when claiming 25 per Cent. of their actual expenditure debitable to 27 "Miscellaneous," minor head "Contributions to Municipal Funds," should exclude from their claim the cost of Police.

3. Sums over-paid by, or to, the Municipalities since April last, need not now be refunded, but should be adjusted when they may next have occasion to remit, or receive monies from the Treasury.

4. I enclose ten copies of the Circular for distribution to the Municipalities in your District.

I have the honor to be,

Sir,

Your most obedient Servant,

F. LUSHINGTON,

Accountant General.

No. 253—5-7-69—350.

Public Department

Memorandum for Orders.

The order is clearly erroneous but as it was issued in July 1869 & I took no notice of it and as the Municipal Council will shortly be elected I could not open the matter now. J. D. S.

The Police cost & the State Contribution thereon have been shown in all Municipal Accounts for 1869 in conformity with the circular of the Accountant General No. 2221 dated 5th July 1869. Copy of the circular was at the time furnished to Govt. and was simply recorded (G.O. 12th July 1869 No. 910) but certain orders were issued subsidiary to an instruction of the Govt. of India as to the mode in which the Police receipts from Municipalities and the State Contribution in aid of Municipal funds should be credited and debited in the Treasury Accounts.

No 943 of 12th July 1869.

Recorded.

M.C.

Chancery regarding contributions by Municipalities in aid of Police

13th July

No 1135.

Police Dept
Accountant General
Secy.

With an order

The Accountant General has not confined himself to issuing orders to this end, but, stepping beyond his province, he has instructed Municipalities when remitting monthly, the one-twelfth part of the annual amount fixed by Govt. for the maintenance of the police, to make a deduction in their charges of one-fourth of the amount, the remaining three-fourths alone being credited in the Treasury Accounts; and when claiming 25 per cent of their actual expenditure debitable to 24 Miscellaneous, to exclude from their claim the cost of Police.

2. The order of the Govt. of India on which the Circular proceeded, is based

based on a complete misconception of the way in which State aid is afforded to Municipalities. It assumes that the State contribution is to be invariably one-fourth of the expenditure whereas it must also be limited by the amount of the Current receipts; and it is therefore possible that a Municipality may not be entitled to receive a State Contribution equal to $\frac{1}{4}$ of the cost of its Police. The Contribution is computed with reference to the receipts and expenditure under all items and cannot be ascertained with reference to any particular one nor with accuracy until the whole transactions of the year are

are concluded and the accounts reviewed by Govt. The law has provided that one-twelfth of the cost of Police shall be paid monthly, and it was not competent to the Govt. of India, nor to the Accountant General to issue instructions which have the effect of reducing the instalments. Again, the course prescribed by the Accountant General must often produce inconvenience and lead to difficulty and embarrassing adjustments, when, as is sometimes done, advances of Govt. Contribution are allowed as special cases; and it is moreover inconsistent with the procedure laid down

It is suggested that this question may with advantage be referred to the Law Officer. We have before us practical examples of the inconvenience which may arise from the present system. - Am

15th October / 40 No 1294.

Of the five towns in Tanjore, the acc^{ts} of which I have just finished examining, ^{every} the contribution has been overdrawn in all except Nagaperamb.

by Govt. in their Order noted in the margin under which quarterly payments of the Contribution are made in arrears with reference to the Collections and subject to adjustment at the close of the year. If the Commissioners in the various towns have gone on drawing their Contribution under this order it is ill probably be found that a large excess has been drawn in 1869-70. The difficulty in making out what a Municipality is really entitled to, is very great under ordinary circumstances and is much increased by this circular of the Accountant General.

3. The finances of the Municipalities are not controlled by the Accountant General

General but by Govt;
and the course which he
has enjoined is inconsistent
with that prescribed by
Govt. It is submitted
that the Circular should
be rescinded and the
old procedure returned
to.

AM MM

10/18/7.

C 257. R 26/7

sent 20 June 9

Govt. of Madras
Public

Dated July 12

Recd.

G. O. 12 July 1869, No. 943.

Nos. 56. 57.

Recording the Accountant
Genl's Circular regarding
contributions by Municipa-
lities on account of Police.