

ORDINARY, PRINTED.

Public DEPARTMENT.
G.O., DATED 25-4-91
No. 331.

First copy sent to Press.

Returned for signature.

Despatched in print.

[Despatch Abstract.]

Insolvents.

Issuing revised orders
relative to the suspension
of Government servants
taking the benefit of the
Insolvent act.

15/6/91

24-10-140

12/4/27.80

11-10.2834

11-7-30.1

29/11/30.81✓

1-12-32.1✓

10-3-38.1✓

ENCLOSURES.

CURRENT No.

STATEMENT WITH DITO.

ORDER, &c., OF GOVERNMENT—A.

PAPERS KEPT OUT OF FILE FOR DISPATCH IN ORIGINAL
(not paged.)

NUMBER OF COPIES REQUIRED. 600
Order complete.
Letter only.
Order complete with Letter.

N.B.—

- A = Print in full.
- B = Not to be printed.
- P = Print abstract only.
- Q = Print heading only.
- R = Print, but not for monthly volume.

25TH APRIL 1891, No. 331, PUBLIC.

GOVERNMENT OF MADRAS.

PUBLIC DEPARTMENT.

READ—again the following papers:—

G.O., dated 7th June 1881, No. 781, Public.

ABSTRACT.—Directing that Government servants having recourse to the Insolvent Court be suspended and that during such suspension their pay shall follow the rule for other cases of suspension as contained in section 53 of the Pay and Acting Allowance Code (5th Edition).

G.O., dated 17th November 1885, No. 2679, Public.

ABSTRACT.—Passing orders on the summary of Government orders issued on the subject of insolvency of Government servants.

Letter—dated 11th December 1890, No. 865, Public.

Read—the following paper:—

From F. ROWLANDSON, Esq., Official Assignee, Madras, to the Chief Secretary to Government, dated Madras, 26th November 1890.

I have the honour to respectfully invite the attention of His Excellency the Governor in Council, for such action as he may be pleased to adopt, to the great hardship worked by the practice now in force to persons employed in the Government offices who are compelled to file their petitions in the Court for the Relief of Insolvent Debtors in Madras.

2. This practice is that, upon the filing of such a petition, the insolvent is, as a matter of course, suspended, and not reinstated until the matter of his insolvency has been disposed of by the Commissioner, and what is known as a "personal discharge" has been granted to him by the Court. Upon this being done, the insolvent has to procure an extract of the proceedings of the Court to satisfy the Government that nothing has transpired there which will disqualify him for restoration to his appointment. After this has been obtained, and when the Government is pleased to restore the discharged insolvent, it is the practice to do so "without arrears of pay."

3. The result of this practice is that, for a period of several months, the insolvent is left absolutely without any means of support. Everything of which he is possessed at the time of applying to the Court passes to the Assignee for his creditors, and at the same time his income ceases. The unavoidable result is that he returns to his appointment with the nucleus of a fresh load of debt upon him, which he has of necessity incurred pending the disposal of his petition by the Court and his reinstatement by Government.

4. The order for personal discharge is almost invariably accompanied by a direction, which is often a condition, that the insolvent shall pay for the benefit of his scheduled creditors such monthly sum as the Court thinks fit to allocate from his pay. Thus in a recent case an insolvent drawing Rs. 240 as pay and Rs. 60 allowance was granted his discharge and directed to pay Rs. 40 a month for his

scheduled creditors. He had been some four months under suspension, and when reinstated was given no arrears of pay. He had been obliged to contract fresh debts for the support of himself and his family, and as soon as he was reinstated his new creditors obtained decrees against him, and attached half his pay. Thus crippled he made default in payment of the Rs. 40 allocated by the Insolvent Court, and was brought before it again by the Assignee for disobedience of the order. The facts set out above were elicited in his examination, and it also appeared that the amount of his fresh debts was approximately the same as the amount of arrears of pay which it was open to Government apparently to have allowed to him.

5. The case though not by any means an exceptional one was a typical one, and the Honourable the Chief Justice, who was sitting as Commissioner in Insolvency, expressed an opinion that if the matter were represented to His Excellency the Governor in Council, the practice of giving no arrears of pay in the class of cases indicated might possibly be altered.

6. I would venture, in conclusion, to point out that by the procedure of the Insolvent Court, each creditor of an insolvent has ample opportunities of bringing to the notice of the Commissioner any misconduct on the part of the insolvent, and that where a discharge is granted in the face of opposition by creditors, it is competent to the Court to mark its sense of the insolvent's behaviour by imposing a heavy allocation—a course which has, on some occasions, been adopted.

Letter—to the Secretary to the Government of ^{Bengal} ^{Bombay}, General Departments, dated Fort St. George, 11th December 1890, No. 865, Public.

I am directed to inquire whether it is the practice in the ^{Bengal} ^{Bombay} Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Act and to grant him only subsistence allowance during his suspension. I am also to ask whether, on reinstatement after passing through the Insolvent Court, a Government servant is ever granted arrears of pay for the period during which he was under suspension.

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

READ—also the following paper:—

From the Acting Chief Secretary to the Government of Bombay, General Department, to the Chief Secretary to the Government of Fort St. George, dated Bombay Castle, 24th January 1891, No. 335.

I am directed to acknowledge the receipt of your letter, No. 865, Public, dated the 11th ultimo, inquiring whether it is the practice in the Bombay Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Debtors' Act and to grant him only subsistence allowance during his suspension, and whether, on reinstatement after passing through the Insolvent Court, a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply, I am to state that it is not the practice in this Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Debtors' Act, though there is nothing to prevent heads of offices from so doing, if they consider such action advisable. Instances have occurred in which heads of offices have so suspended their subordinates, and in which the latter on being reinstated have been permitted, with the sanction of Government, to draw full pay for the period of their suspension. The existing practice is not to pass orders regarding the retention or dismissal of a public servant applying for the benefit of the Insolvent Debtors' Act until his case has been heard by the Insolvent Court, when a report stating the decision passed is made to Government. On receipt of the report, Government decides whether the insolvent should or should not be dismissed from its service.

From H. LUSON, Esq., Officiating Under-Secretary to the Government of Bengal, Judicial, Political and Appointment Departments, to the Chief Secretary to the Government of Madras, dated Calcutta, 17th February 1891, No. 763 J.

I am directed to acknowledge the receipt of your letter, No. 865 (Public), dated the 11th December last, in which you inquire whether in Bengal a public servant applying for the benefit of the Insolvent Act is invariably suspended and granted only subsistence allowance during his suspension, and whether on reinstatement after passing through the Insolvent Court a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply, I am to refer you to Mr. H. A. Cockerell's demi-official letter of the 14th May 1881, to the address of Mr. R. Davidson, on the subject, and, in forwarding a copy of that communication, to say that officers in Bengal applying for the benefit of the Insolvent Act are not invariably suspended and that there are instances in which such officers have been allowed full pay for the period during which their cases were pending in the Insolvency Court. I am to add that instances of Government servants becoming insolvents in Bengal are fortunately rare.

ENCLOSURE.

Demi-official letter from H. A. COCKERELL, Esq., to R. DAVIDSON, Esq., c.s.i., Chief Secretary to the Government of Madras, dated Bengal Secretariat, 14th May 1881.

In reply to your demi-official letter of the 21st ultimo, I have to say that there is no rule, such as that mentioned by you, in existence in Bengal, but that very stringent orders, a copy of which I enclose, have been issued by this Government on the subject of Government servants having recourse to the Insolvent Court. Under these orders, the case of each officer is separately considered and decided on its own merits. When an officer who takes the benefit of the Insolvent Act is not dismissed from his appointment, he is ordinarily either deprived of all pay or granted merely a subsistence allowance during the period of his suspension. Occasionally, however, he is permitted to count the time as leave, should there be any leave due to him.

ORDER—dated 25th April 1891, No. 331, Public.

On consideration of the foregoing correspondence, His Excellency the Governor in Council is pleased, in supersession of all previous orders, to rule that the question whether Government servants taking the benefit of the Insolvent Act shall be suspended, pending adjudication under the Act, will, in future, be left for decision to the discretion of Heads of Departments.

2. The cases of all gazetted officers taking the benefit of the Act, together with the action taken by the Head of the Department in each case, will be always reported for the information of Government.

3. Each case will, as now, be finally disposed of by Government on the receipt of the report prescribed in paragraph 3 of G.O., dated 17th November 1885, No. 2679.

(True Extract.)

for Chief Secretary.

To the Official Assignee.
" Departments of the Secretariat.
" all Heads of Departments under the Chief Secretary.

Exd. P. L. Pereira.

The result of this practice is that for a period of several months the Insolvent is left absolutely without any means of support. Everything of which he is possessed at the time of applying to the Court passes to the Assignee for his creditors, and at the same time his income ceases. The unavoidable result is that he returns to his appointment with the nucleus of a fresh load of debt upon him, which he has of necessity incurred pending the disposal of his Petition by the Court and his reinstatement by Government.

4. The order for personal discharge is almost invariably accompanied by a direction, which is often a condition, that the Insolvent shall pay for the benefit of his scheduled creditors, such monthly sum as the Court thinks fit to allocate from his pay. Thus in a recent case an Insolvent drawing Rupees 240 as pay and Rupees 60 allowance was granted his discharge and directed to pay Rupees 40 a month for his scheduled creditors. He had been some four months under suspension, and when reinstated was given no arrears of pay. He had been obliged to contract fresh debts for the support of himself and his family, and as soon as he was reinstated his new creditors obtained decrees against him, and attached half his pay. Thus crippled he made default in payment of the Rupees 40 allocated by the Insolvent Court, and was brought before it again by the Assignee for disobedience of the order. The facts set out above were elicited in his examination, and it also appeared, that the

the amount of his fresh debts was approximately the same as the amount of arrears of pay which ~~might~~, it was open to Government apparently to have allowed to him.

6. The case though not by any means an exceptional one, was a typical one, and the Honorable the Chief Justice, who was sitting as Commissioner in Insolvency expressed an opinion that if the matter were represented to His Excellency the Governor in Council, the practice of giving no arrears of pay in the class of cases indicated might possibly be altered.

I would venture in conclusion to point out, that by the procedure of the Insolvent Court, each creditor of an Insolvent has ample opportunities of bringing to the notice of the Commissioner, any misconduct on the part of the Insolvent, and that where a discharge is granted in the face of opposition by creditors, it is competent to the Court to mark its sense of the Insolvent's behaviour by imposing a heavy allocation - a course which has on some occasions been adopted.

I have the honor to be

Sir

Your Most Obedient Servant,

J. R. Anderson

Govt. of {1891} Madras.
PUBLIC.

Issued

Recd.

Encl.

G.O., 25th April 1891, No. 331.

APRIL.

Insolvents.

Issuing revised orders relative to the suspension of Government servants taking the benefit of the Insolvent Act.

High Court House Madras
26th November 1890

From

F. Rowlandson Esq.
Official Assignee
Madras

To

The Honorable J. F. Price
Chief Secretary to
The Government of Madras.

Sir

I have the honor to respectfully invite the attention of His Excellency the Governor in Council, for such action as he may be pleased to adopt, to the great hardship worked by the practice now in force to persons employed in the Government Offices who are compelled to file their Petitions in the Court for the Relief of Insolvent Debtors in Madras.

2. This practice is that upon the filing of such a Petition the Insolvent is as a matter of course suspended, and not reinstated until the matter of his Insolvency has been disposed of by the Commissioner, and what is known as a "personal discharge" has been granted to him by the Court. Upon this being done the Insolvent has to procure an extract of the proceedings of the Court to satisfy the Government that nothing has transpired there which will disqualify him for restoration to his appointment. After this has been obtained, and when the Government is pleased to restore the discharged Insolvent, it is the practice to do so without arrears of pay.

From J. Rowlandson Esq.
Official Assignee
Madras

Dated 26. 11. 90

Subject

Drawing the attention of His
Majesty the Governor to the
great hardship caused by
the practice of refusing to
pay persons employed in the Govt.
offices, who are called
into their public duties, for the
relief of Government
Debtors in Madras.

Public Dept.
Letter of 11 Dec 90. No. 865.

To The Secy. to the
Govt. of Bengal
Bombay
General Dept.

Sir,

I am directed to in-
quire whether it is the
practice in the Bengal
Bombay
Presidency to invariably
suspend every public
servant who applies for
the benefit of the Insol-
vent Act and to grant
him only subsistence
allowance during his
suspension. I am also
to ask whether on re-
statement after passing
through the Insolvent
Court a servant of the
Govt. is ever granted
arrears of pay for the
period during which
he was under suspension.

JOB.
1/11.

2000 -

335- C. 243-
BACK PAPER, No.

OF 18

FURTHER PAPER, No. 243

619

READ: ORDER OF GOVERNMENT, DATED
No. MISCELLANEOUS.

ENCLOSURE

CURRENT No. 34987

STATEMENT WITH DITTO.

ORDER OF GOVERNMENT Letter

A A

STATEMENT WITH DITTO.

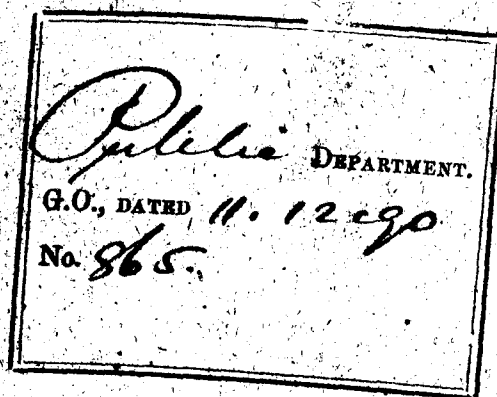
PAPER NOT FILLED UP, BEING MEANT FOR DISPATCH
IN ORIGINAL (not paged).

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F = Copy abstract only.
Q = Copy heading only.

C. 3/12

ORDINARY, MS.



When given for copying 2/12

[Despatch Abstract].

Re suspension of
Insolvent.

Recd
2 I 13/12

No 335 of 1891. C. No 243.
General Department.
Bombay Castle, 24 January 1891.

To

The Chief Secretary to the Government
of Fort St. George.

Sir,

I am directed to acknowledge the receipt of your letter No 865, Public, dated the 11th ultimo, enquiring whether it is the practice in the Bombay Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Debtors' Act and to grant him only subsistence allowance during his suspension, and whether on re-instatement after passing through the Insolvent Court, a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply I am to state that it is not the practice in this Presidency to invariably suspend every public servant who

who applies for the benefit of the Insolvent Debtors' Act, though there is nothing to prevent Heads of Offices from so doing, if they consider such action advisable. Instances have occurred in which Heads of Offices have so suspended their subordinates, and in which the latter on being re-instated have been permitted, with the sanction of Government, to draw full pay for the period of their suspension. The existing practice is not to pass orders regarding the retention or dismissal of a public servant applying for the benefit of the Insolvent Debtors' Act until his case has been heard by the Insolvent Court, when a report stating the decision passed is made to Government. On receipt of the report Government decides whether the insolvent should or should not be dismissed from its service.

I have the honour to be,
^{Sir,}
your most obedient servant,

Wm. L. P.
Acting Chief Secretary to Government.

Public C^o 243.

4/12/90 No 865 into Public
C^o 619/91.

From,
The Gov^t of Bombay
N^o 335.

Dated 24th }
Recd 26th } Jan'y 1891.

Re Public

Servants applying for the
benefit of the Insolvent Act.

My appearance before the
Magistrate on 14th 1891.

Bengal Secretariat,
The 14th May 1881.

My Dear Davidson,

In reply to your semi-official
letter of the 21st ultimo, I have to say
that there is no rule such as that mentioned
by you in existence in Bengal, but that
very stringent orders, a copy of which
I enclose, have been issued by this Govern-
ment on the subject of Government
servants having recourse to the Insolvent
Court. Under these orders the case of
each officer is separately considered
and decided on its own merits. When
an officer who takes the benefit of
the Insolvent Act is not dismissed
from his appointment, he is ordinarily
either deprived of all pay or granted
merely a subsistence allowance during
the period of his suspension. Occasionally
however he is permitted to count the time
as leave, should there be any leave
due to him.

N^o 1379 dated
the 9th March
1869.

Yours truly
H. Horace A. Cockrell

1 True Copy,
A. Davidson Esq. C.S.
Chief Secy to the Govt of Madras
Registrar,

All communications to Government should give the Number, Date, and Subject of any previous Correspondence, and be addressed to the Secretary of the Department concerned.

From

No.

763/

619.

W. H. Suson Esquire,
Under-Secretary to the Government of Bengal,
Judicial, Political and Appointment Departments,

To

The Chief Secretary
to the Government of
Madras.

Dated Calcutta, the

17th Feb. 1891.

Official
Sir,

I am directed to acknowledge the receipt of your letter No. 865 (Public) dated the 11th December last in which you enquire whether in Bengal a public servant applying for the benefit of the Insolvent Act is invariably suspended and granted only subsistence allowance during his suspension, and whether on reinstatement after passing through the Insolvent Court a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply I am to refer you to Mr. H. A. Cockerell's Demi

Official

L Public 619/91.

official letter of the 14th May
1881 to the address of Mr. R. Davidson
on the subject, and in forwarding
a copy of that communication
to say that officers in Bengal
applying for the benefit of the
Insolvent Act are not invariably
suspended and that there are
instances in which such officers
have been allowed full pay for
the period during which their
cases were pending in the Insolvency
Court. I am to add that instances
of Government servants becoming
insolvents in Bengal are fortunately
rare.

I have the honor to be,

Sir,

Your most Obedt Servant,

H. Lumsden.

Offg. Under Secy. to the Govt
of Bengal

6.5.81

84.5

Publ (1891.) C 619

REVENUE DEPARTMENT.

No. 1600

CW 243/91

ABSTRACT.

From Govt of Bengal

Dated 17th Feb^y

Received 25th Feb^y

Enclosures

Recd in Pub 3/3/91

No. 763J.

SUBJECT.

Public servants applying for
benefit of Insolvent Act

Replies to letter of this date enquiring
how in Bengal — are dealt with
in respect of continuance in app^t
during the time when he is passing
through the insolvent Court and in
respect of emolument both before and
after the time of applying for the
benefit of the insolvent act.

14/3/91

Public DEPARTMENT.

C No. 243-819.

From The Govts. of Bombay and Bengal

Dated 24th Jan^y & 17th Feb^y 1891.

FOR ORDERS.

G.O. 865 9. 11. 12. 90

In his letter dated 25th November

1890 the official Assignee of the

insolvent Court of the Presidency

insolvent Court of the Presidency

insolvent Court of the Presidency

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insolvent Court of the Presidency

C.S.
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9 hours

Submitted to the Gov. as 14 in's
differ 2 1/2 hours

70

{ 5 }

John R.

Thurs

On a consideration of the fore-
-going correspondence, It. L. the Gov.
in Council is pleased ^{in supervision} to ~~cancel~~ ^{cancel} ~~forward~~
of the previously ^{order} ~~order~~; to rule that
of G. L. 7. 7th June 1881. No 484.

21/4/91

* (3.)
Departments. Each case will, as
now, be ~~considered~~ ^{finally disposed of} by Govt on the

8 (From orders)
14 April

~~the~~ No - but this may be

The Official Assignee -

Depts of the Secretariat

all nos of Depts. under

C.S.

[illegible]

W
20/3/91

c. 10/3 / c. 25/3 Re C. 2/4 /
R. 24/3 R 31/3 R. 44/4

Pub

DEPARTMENT.

List showing the distribution of the Proceedings of Government,
dated 25th April 1891. No. 331.

Revenue Department
Public Works Department
Military Department
Local and Municipal Department

JUDICIAL. { Honorable the Chief Justice with C.L.
Inspector-General of Police
Do. of Jails
Do. of Registration
Chief Presidency Magistrate
Commissioner of Police
Judges of the Madras Court of Small Causes
Advocate-General
Government Solicitor
Administrator-General
Sheriff of Madras
Government Pleader
Registrar of Joint Stock Companies

PUBLIC. { Surgeon-General with the Government of Madras
Sanitary Commissioner
Sanitary Engineer to Government
Meteorological Reporter
President, Board of Examiners
Private Secretary to the Right Honorable the Governor.
Government Astronomer
Superintendent, Government Central Museum
Chemical Examiner
Superintendent of Stationery
Protector of Emigrants
Superintendent, Government Press
Tamil Translator to Government
Telugu do. to do.
Malayalam do. to do.
Canarese do. to do.
Hindustani do. to do.
British Consular Agent, Pondicherry
Archæological Surveyor with Government

POLITICAL. { Resident in Travancore and Cochin
Paymaster, Carnatic Stipends
Government Agent at Tanjore
Political Agent at Pudukóta
Special Agent, South Arcot

ECCLÉSIASTICAL. { The Right Reverend the Bishop of Madras
Venerable Archdeacon of Madras
Senior Chaplain of the Church of Scotland

MARINE. { Presidency Port Officer
Chairman, Harbour Trust Board

Deap I
22/5/91.

FINANCIAL.
Accountant-General
Commissioner of Paper Currency

EDUCATIONAL.
Director of Public Instruction
Commissioner for the Uncovenanted Civil Service Examinations

THE DISTRICT MAGISTRATE OF

Anantapur
North Arcot (Chittoor)
South Arcot (Cuddalore)
Bellary
South Canara (Mangalore)
Chingleput (Saidápet)
Coimbatore
Cuddalore
Ganjam (Bhatrapur)
Godavari (Jocanada)
Kistna (Masulipatam)
Kurnool
Madura
Malabar (Calicut)
Nilgiris (Ootacamund)
Nellore
Salem
Tanjore
Tinnevely
Trichinopoly
Vizagapatam

DISTRICT AND SESSIONS JUDGE
OF

North Arcot (Chittoor)
South Arcot (Cuddalore)
Bellary
South Canara (Mangalore)
Chingleput
Coimbatore
Cuddalore
Ganjam (Bhatrapur)
Godavari (Rajahmundry)
Kistna (Masulipatam)
Kurnool
Madura
North Malabar (Tellicherry)
South Malabar (Calicut)
Nellore
Nilgiris (Ootacamund)
Salem
Tanjore (Tanjore)
Tinnevely (Palameotta)
Trichinopoly
Vizagapatam

25TH APRIL 1891, No. 331, PUBLIC.

GOVERNMENT OF MADRAS.
PUBLIC DEPARTMENT.

READ—again the following papers:—

G.O., dated 7th June 1881, No. 781, Public.

ABSTRACT.—

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ABSTRACT.—

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2. This practice is that, upon the filing of such a petition, the insolvent is, as a matter of course, suspended, and not reinstated until the matter of his insolvency has been disposed of by the Commissioner, and what is known as a "personal discharge" has been granted to him by the Court. Upon this being done, the insolvent has to procure an extract of the proceedings of the Court to satisfy the Government that nothing has transpired there which will disqualify him for restoration to his appointment. After this has been obtained, and when the Government is pleased to restore the discharged insolvent, it is the practice to do so "without arrears of pay."

3. The result of this practice is that, for a period of several months, the insolvent is left absolutely without any means of support. Everything of which he is possessed at the time of applying to the Court passes to the Assignee for his creditors, and at the same time his income ceases. The unavoidable result is that he returns to his appointment with the nucleus of a fresh load of debt upon him, which he has of necessity incurred pending the disposal of his petition by the Court and his reinstatement by Government.

4. The order for personal discharge is almost invariably accompanied by a direction, which is often a condition, that the insolvent shall pay for the benefit of his scheduled creditors such monthly sum as the Court thinks fit to allocate from his pay. Thus in a recent case an insolvent drawing Rs. 240 as pay and Rs. 60 allowance was granted his discharge and directed to pay Rs. 40 a month for his

scheduled creditors. He had been some four months under suspension, and when reinstated was given no arrears of pay. He had been obliged to contract fresh debts for the support of himself and his family, and as soon as he was reinstated his new creditors obtained decrees against him, and attached half his pay. Thus crippled he made default in payment of the Rs. 40 allocated by the Insolvent Court, and was brought before it again by the Assignee for disobedience of the order. The facts set out above were elicited in his examination, and it also appeared that the amount of his fresh debts was approximately the same as the amount of arrears of pay which it was open to Government apparently to have allowed to him.

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6. I would venture, in conclusion, to point out that by the procedure of the Insolvent Court, each creditor of an insolvent has ample opportunities of bringing to the notice of the Commissioner any misconduct on the part of the insolvent, and that where a discharge is granted in the face of opposition by creditors, it is competent to the Court to mark its sense of the insolvent's behaviour by imposing a heavy allocation—a course which has, on some occasions, been adopted.

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

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From the Acting Chief Secretary to the Government of Bombay, General Department, to the Chief Secretary to the Government of Fort St. George, dated Bombay Castle, 24th January 1891, No. 335.

I am directed to acknowledge the receipt of your letter, No. 865, Public, dated the 11th ultimo, inquiring whether it is the practice in the Bombay Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Debtors' Act and to grant him only subsistence allowance during his suspension, and whether, on reinstatement after passing through the Insolvent Court, a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply, I am to state that it is not the practice in this Presidency to invariably suspend every public servant who applies for the benefit of the Insolvent Debtors' Act, though there is nothing to prevent heads of offices from so doing, if they consider such action advisable. Instances have occurred in which heads of offices have so suspended their subordinates, and in which the latter on being reinstated have been permitted, with the sanction of Government, to draw full pay for the period of their suspension. The existing practice is not to pass orders regarding the retention or dismissal of a public servant applying for the benefit of the Insolvent Debtors' Act until his case has been heard by the Insolvent Court, when a report stating the decision passed is made to Government. On receipt of the report, Government decides whether the insolvent should or should not be dismissed from its service.

From H. LUSON, Esq., Officiating Under-Secretary to the Government of Bengal, Judicial, Political and Appointment Departments, to the Chief Secretary to the Government of Madras, dated Calcutta, 17th February 1891, No. 763 J.

I am directed to acknowledge the receipt of your letter, No. 865 (Public), dated the 11th December last, in which you inquire whether in Bengal a public servant applying for the benefit of the Insolvent Act is invariably suspended and granted only subsistence allowance during his suspension, and whether on reinstatement after passing through the Insolvent Court a Government servant is ever granted arrears of pay for the period during which he was under suspension.

2. In reply, I am to refer you to Mr. H. A. Cockerell's demi-official letter of the 14th May 1881, to the address of Mr. R. Davidson, on the subject, and, in forwarding a copy of that communication, to say that officers in Bengal applying for the benefit of the Insolvent Act are not invariably suspended and that there are instances in which such officers have been allowed full pay for the period during which their cases were pending in the Insolvency Court. I am to add that instances of Government servants becoming insolvents in Bengal are fortunately rare.

ENCLOSURE.

Demi-official letter from H. A. COCKERELL, Esq., to R. DAVIDSON, Esq., c.s.i., Chief Secretary to the Government of Madras, dated Bengal Secretariat, 14th May 1881.

In reply to your demi-official letter of the 21st ultimo, I have to say that there is no rule, such as that mentioned by you, in existence in Bengal, but that very stringent orders, a copy of which I enclose, have been issued by this Government on the subject of Government servants having recourse to the Insolvent Court. Under these orders, the case of each officer is separately considered and decided on its own merits. When an officer who takes the benefit of the Insolvent Act is not dismissed from his appointment, he is ordinarily either deprived of all pay or granted merely a subsistence allowance during the period of his suspension. Occasionally, however, he is permitted to count the time as leave, should there be any leave due to him.

ORDER—dated 25th April 1891, No. 331, Public.

On consideration of the foregoing correspondence, His Excellency the Governor in Council is pleased, in supersession of all previous orders, to rule that the question whether Government servants taking the benefit of the Insolvent Act shall be suspended, pending adjudication under the Act, will, in future, be left for decision to the discretion of Heads of Departments.

2. The cases of all gazetted officers taking the benefit of the Act, together with the action taken by the Head of the Department in each case, will be always reported for the information of Government.

3. Each case will, as now, be finally disposed of by Government on the receipt of the report prescribed in paragraph 3 of G.O., dated 17th November 1885, No. 2679.

(True Extract.)

Chief Secretary.

To the Official Assignee.
„ Departments of the Secretariat.
„ all Heads of Departments under the Chief Secretary.

Exd. P. L. Pereira.

Gobt. of {1891} Madras.
PUBLIC.

Issued

Recd.

Encl.

G.O., 25th April 1891, No. 331.

APRIL.

Insolvents.

Passing orders with reference to the question of
the suspension of Government servants taking the
benefit of the Insolvent Act.