

ORDINARY, MS.

Public	DEPARTMENT
G.O., DATED	10. 2. 91
No.	683. v

INDEXED.

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[Despatch Abstract.]

Copy to the Surg.
Genl. name pro
a deposit of fort-
securities for short-
periods & —

BACK PAPER, No.

FURTHER PAPER, No.

READ AGAIN ORDER OF GOVERNMENT, DATED
18 , No. , MISCELLANEOUS.

ENCLOSURES.

CURRENT No.

STATEMENT WITH DITTO.

ORDER OF GOVERNMENT.

LETTER OF GOVERNMENT.

STATEMENT WITH DITTO.

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Public Dept.

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Govt. of Madras.

MARINE.

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Order 10th Aug 91 No 683

Comm. to the
Surgeon General.

20B.

for C.S.

10/8.

Issued

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Encl.

G.O., 22nd July 1891, No. 321.

JULY.

Government Securities.

Communicating to certain departments and to the Presidency Port Officer, with remarks, correspondence regarding the deposit of — for short periods by contractors as a guarantee for the fulfilment of their contracts.

Surgeon Genl. with Encl.

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10/8

22ND JULY 1891, No. 321, MARINE.

GOVERNMENT OF MADRAS.

MARINE DEPARTMENT.

READ—again the following papers :—

G.O., dated 2nd May 1891, No. 176, Marine.

Read—the following paper :—

From Captain H. A. STREET, H.M.'s I.M., Presidency Port Officer, to the Chief Secretary to Government, dated Madras, 16th April 1891, No. 151 G.

I have the honour to acquaint you, for the information of Government, that there was an instance lately in which the Bank of Madras objected to a Government promissory note being endorsed in my favour by a contractor of this department, on the ground that the Presidency Port Officer was not included in the list of officers specified in clause 2 of rule 6, chapter 11 of the Civil Account Code, in whose name Government securities may be made or endorsed payable to. Securities in Government paper are often deposited by contractors for the due performance of their contract, and their contracts not generally lasting for more than twelve months, the securities in question could not be forwarded to the Accountant-General as per clause 1, rule 1; chapter 10, Civil Account Code, but have to be retained by myself in safe custody and returned to the contractors on the fulfilment of their contract. As during the period in which the securities are held by me, they should stand endorsed in favour of the Presidency Port Officer, I beg that the Comptroller-General, Calcutta, may be moved to add to the list referred to the name of the "Presidency Port Officer, Madras."

Order—dated 2nd May 1891, No. 176, Marine.

The Government of India will be addressed.

(True Extract.)

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

To the Presidency Port Officer.

Letter—to the Secretary to the Government of India, Finance and Commerce Department, dated Ootacamund, 2nd May 1891, No. 177, Marine.

I am directed to forward copy of a letter from the Presidency Port Officer, Madras, No. 151, dated 16th April 1891, and to request that, should there be no objection, that officer may be added to the list of public officers specified in note 2, rule 6, chapter 11 of the Civil Account Code, Volume I.

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

From J. E. O'CONOR, Esq., Assistant Secretary to the Government of India, Finance and Commerce Department, to the Chief Secretary to the Government of Madras, dated Simla, the 20th May 1891, No. 2159.

I am directed to acknowledge the receipt of your letter No. 177, Marine, dated 2nd May 1891, requesting that the Presidency Port Officer, Madras, may be added to the list of public officers specified in note 2, rule 6, chapter 11 of the Civil Account Code.

2. It appears from the communication from the Presidency Port Officer, dated 16th April 1891, enclosed with your letter, that Government securities are generally deposited with him for short periods only. I am therefore to inquire whether the arrangement sanctioned in the Resolution in this Department No. 1012,* dated 28th February 1890, if made applicable to the Port Officer, would meet the difficulty now experienced.

* Copy enclosed.

ENCLOSURE.

Resolution of the Government of India, in the Finance and Commerce Department (Accounts and Finance—Public Debt), dated Calcutta, the 28th February 1890, No. 1012.

Read—again the following papers on the subject of a proposal made by the Military Department to add to the list of officers to whom sub-section (1) of section 7 of the Indian Securities Act, XIII of 1886, applies, “Officers in charge of Arsenals, Depôts, and Factories of the Ordnance Department” :—

Accounts B, August 1888, Nos. 1761 to 1763.
 „ B, January 1889, Nos. 110 and 111.

Read—

Office memorandum from the Military Department, No. 2271 F., dated the 29th August 1889, modifying the proposal stated above, and requesting the substitution of the designations “Ordnance Officers,” “Superintendents of Factories and Inspectors-General of Ordnance,” for the designations previously suggested.

Resolution—

The object of the proposal now made is to provide that, in the case of Government securities received by Warrant Officers in charge of depôts, the securities shall not be endorsed to such officers but to the nearest Ordnance officer.

2. It is understood that the difficulty occasioned by the existing rules arises almost entirely in connection with deposits made for short periods by contractors as a guarantee for fulfilment of their contracts. The simplest way to overcome the difficulty appears to be to rule that such deposits, as also other deposits of Government securities which are not expected to remain in custody for more than a year, may remain in the name of the person making the deposit and not be endorsed to any officer of Government. The deposits will then be received on the condition, to be stated in the tender or otherwise, that Government will be authorised to appropriate and cancel the notes if the contracts are not fulfilled. If by mistake notes sent by depositors to an officer of Government are endorsed to him, they should be returned, when the proper time comes, with that endorsement cancelled, instead of being re-endorsed. In this case interest should not be drawn by the officer, but if the notes remain in the name of the depositor there would be no objection to his drawing interest on them, on producing at the treasury in which they are lodged for safe custody a receipt countersigned by the Government officer who lodged them; provided of course that the notes are enfaced for payment of interest at that treasury.

3 His Excellency the Governor-General in Council accordingly directs that in future the procedure in such cases shall be as follows :—

(1) When the notes are deposited for a period of 12 months or less, they shall remain in the name of the depositor, and shall *not be endorsed* by him to any officer of Government.

(2) The Government officer receiving the deposit will see that the notes stand in the name of the depositor, and that the contract or other document executed by the depositor conveys authority to Government to appropriate or cancel the notes if the contract is not fulfilled.

(3) After satisfying himself on these points, the Government officer receiving the deposit will lodge the note or notes for safe custody in the nearest civil treasury, except in the Presidency towns of Calcutta, Madras, and Bombay, where the notes will be lodged with the Comptroller-General and with the Accountants-General, Madras and Bombay, respectively. The Comptroller-General will issue subsidiary rules regulating the procedure at the treasuries.

(4) The depositor may draw interest on these notes by tendering receipts in the usual form countersigned by the officer with whom he deposited them.

(5) When the notes are deposited for more than 12 months, they should be endorsed to the Comptroller General (or Accountant-General, Madras or Bombay, as the case may be) and sent, as at present, through the Controller of Military Accounts, the practice now followed of sending to the Presidency Bank notes deposited for more than six and less than twelve months being discontinued.

Order—

Ordered, that the foregoing Resolution be communicated to the Military Department for information.

Original papers returned.

Ordered also, that a copy of the Resolution be communicated to the Comptroller and Auditor-General, and to the Accountants-General, Madras and Bombay.

(Signed) J. E. O'CONOR,
Asst. Secy. to the Govt. of India.

Referred to the Presidency Port Officer for report.

30th May 1891.

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

From Captain M. BEAN, H.M.'s I.M., Officiating Presidency Port Officer, to the Chief Secretary to Government, dated Madras, 3rd June 1891, No. 213 G.

In returning herewith your endorsement, dated 30th May 1891, on Current No. 570, referring to me for report letter from the Government of India, No. 2159, dated 20th May 1891, I have the honour to acquaint you, for the information of Government, that the arrangements sanctioned by the Government of India in their Resolution No. 1012, dated 28th February 1890, will suit this department, and will be attended to in future.

*Letter—*to the Secretary to the Government of India, Finance and Commerce Department, dated Ootacamund, 13th June 1891, No. 258, Marine.

With reference to your letter, No. 2159, dated 20th May 1891, I am directed to inform you that the arrangement sanctioned in Resolution No. 1012, dated 28th February 1890, will meet the difficulty experienced by the Presidency Port Officer, Madras, and to request that it may be made applicable to him. In terms, the rules appear to apply to all officers of Government.

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

Copy forwarded to the Presidency Port Officer with reference to his letter No. 213, dated 3rd June 1891, with the intimation that he should await further orders before taking action under the Resolution quoted above.

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

22ND JULY 1891, No. 321, MARINE.

READ—also the following paper :—

From J. E. O'CONOR, Esq., Assistant Secretary to the Government of India, Finance and Commerce Department, to the Chief Secretary to the Government of Madras, dated Simla, the 9th July 1891, No. 2885.

In reply to your letter No. 258, Marine, dated the 13th June 1891, I am directed to convey the sanction of the Governor-General in Council to the application to the Presidency Port Officer and to any other officers the Government of Madras thinks necessary, except Public Works Department officers, of the arrangement sanctioned in Financial Resolution No. 1012, dated the 28th February 1890, regarding the deposit of Government securities for short periods by contractors as a guarantee for the fulfilment of their contracts.

Copy forwarded to the Comptroller and Auditor-General and to the Accountant-General, Madras, for information.

ORDER—dated 22nd July 1891, No. 321, Marine.

The whole correspondence read above will be communicated to Departments of the Secretariat and departments under the Chief Secretary concerned, for information and guidance, and to the Presidency Port Officer. Lists of officers who are to be empowered to act under the Resolution of the Government of India, dated 28th February 1890, No. 1012, should be submitted to Government in the Financial Department from time to time as necessary.

(True Extract.)

[Signature]

Major R.E.
Under Secretary, P.W.D.
for Chief Secretary.

To the Revenue Department.
 „ Public Works Department.
 „ Public Department.
 „ Judicial Department.
 „ Financial Department.
 „ Local and Municipal Department.
 „ Educational Department.
 „ Presidency Port Officer.
 „ Accountant-General.

Public Dep^t

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Govt. of (1891) Madras.

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