

MADRAS RECORD OFFICE.

Government of Madras.

Revenue DEPARTMENT.

G.O. No. 1580

Press
~~Mis.~~

1661-1662

Dated

31-8-1864

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,
31st August 1864.*

No. 441. Read the following Proceedings of the Madras Government in the Public Works
Department :—

Passing orders on the Proceedings of the Government of India,
respecting the change in mode of dealing with Letters of
Credit, and in the Rules for banking with Government } (Here enter 20th August 1864, No. 2,388.)
Treasuries.

No. 442. ORDER THEREON, 31st August 1864, No. 1,580.

Miscellaneous.

Ordered to be communicated to the Board of Revenue, for
their information.

(True Extract.)

(Signed) C. G. MASTER,

Deputy Secretary to Government.

To the Board of Revenue, with Proceedings Public Works Department, No. 2,388.

Exd. S. T. Augustin.

*Proceedings of the Madras Government, Public Works Department,
20th August 1864.*

No. 408. Read the following Proceedings of the Governor General of India in Council, Public Works Department, dated Simla, 25th July 1864, No. 51:—

Change in mode of dealing with Letters of Credit, and in the Rules for banking with Government Treasuries.

Read a letter from the Accountant General, Public Works Department, No. 80 of the 18th May 1864, submitting a set of draft rules on the above subject.

Read Resolution No. 1,327 of the Financial Department, dated the 19th July 1864, notifying the Orders of Government on the foregoing letter, and prescribing rules for future adoption.

*Extract from the Proceedings of the Government of India in the Financial Department,
Simla, No. 1,327, under date the 19th July 1864.*

Read a letter from the Accountant General, Public Works Department, No. 80, dated 18th May 1864, transferred from the Public Works to the Financial Department, proposing rules for regulating payments by Civil Treasuries on account of the Public Works Department.

The Governor General in Council is pleased to direct that the payments by the Civil Department to or on account of the Public Works Department, shall be made on Letters of Credit to be issued against the Public Works Grant in favor of the Executive Engineer by the local Deputy Auditor and Accountant General, and by means of cheques to be drawn by the Executive Engineer against the credit which will be raised in his favor in the books of the Civil Treasury for the amount of the Letters of Credit.

2. Letters of Credit to Officers of the Public Works Department will be issued, as at present, monthly, by the Deputy Auditor and Accountant General, on the requisition of the Controller of Public Works Accounts.

3. On the Letter of Credit being forwarded by the Executive Engineer to the Treasury Officer, the latter will charge the amount of it to the Officer in whose favor it is drawn, under the general head of "Public Works Department." He will, at the same time, afford a corresponding credit for the amount to the Officer in a Drawing Account under Debt.

4. The Executive Engineer will obtain funds solely by means of cheques against this Drawing Account, which may be drawn for sums not less than ten Rupees. The cheques will hold good for three months from date of issue, and Letters of Advice of the issue of the cheques will be discontinued.

5. A Pass Book will be kept by the Treasury Officer in a form which will be forwarded to each Deputy Auditor and Accountant General by the Accountant General, Public Works Department. In this book, the amount placed at credit of the Officer in his Drawing Account at the Treasury will be shown, as also the cheques paid day by day to the order of the Executive Engineer.

The Pass Book will be sent at the end of each week to the Executive Engineer, to enable him to verify the entries with his own Cash Book and check off the cheques paid. The book will be carefully examined by Superintending Engineers at their inspections.

6. At the end of the month, the Treasury will furnish the Executive Engineer with a certificate as follows;—

"I hereby certify that the balance at credit of A. B., Executive Engineer, is Rupees 2,000.

To which the Executive Engineer will subjoin a memorandum of cheques unpaid as follows:—

				RS.
Deduct cheques unpaid, viz:—				
No. 19	...	...	...	150
No. 26	...	...	...	50
No. 15	...	...	...	70
Total ...				270

"balance as per Cash Book, Rupees 1,730."

*Proceedings of the Madras Government, Public Works Department,
20th August 1864.*

This certificate will be forwarded by the Executive Engineer to the Controller with his monthly accounts.

It will be necessary, however,—in the Reports of Cash Balance, which have to be furnished to the Deputy Auditors and Accountants General for the use of the Financial Department,—for the Public Works Department to distinguish between the actual cash in the hands of Executive Engineers, and the further sum at credit of those Officers in their Pass Book or Drawing Account at the Treasury. The former, or the actual cash in hand, will alone be returned in the Cash Balance Reports required from the Public Works Department for the Financial Department. Any subsidiary orders for giving effect to this injunction will be issued in the Public Works Department.

7. An Executive Engineer may empower any of his sub-divisional Officers to draw cheques against his own Treasury or Drawing Account up to any limit which he may specify. The arrangements for providing the subordinate with a set of cheques from the Treasury will be settled in subsidiary orders to be issued by the Accountant General, Public Works Department, in concert with the Auditor General of India, who will consider whether it will be more expedient for the Treasury to open a separate Drawing Account for the amount allotted by the Executive Engineer to his subordinate, or to arrange for the payment of the subordinate's cheques from the sole Drawing Account of the Executive Engineer.

8. Hitherto, Letters of Credit have been mere advices to Civil Treasuries of the amount up to which they might pay in detail the cheques of Executive Engineers, charging the actual detailed payments only in their Treasury Accounts. By the procedure now prescribed, the full amount of the Letter of Credit will be treated as an actual payment to the Public Works Department, thereby cancelling the rule under which the undrawn portion of a Letter of Credit has hitherto lapsed in the Bengal Presidency after a month, and elsewhere after three months. In future, each Letter of Credit will hold good till it is exhausted.

9. Every month, the Deputy Auditor and Accountant General will furnish the Controller of Public Works Accounts with a list of credits granted on Banks and Treasuries, and after comparison with the debits in the Accounts Current of the Executive Engineers, the Controller will notify to the Deputy Auditor and Accountant General that all the credits have been duly brought to account.

10. The Public Works Department will issue the requisite instructions to Controllers for carefully regulating the amounts of Letters of Credit, with due reference to the balance in hand compared with a month's requirements.

11. Under the Rule in the 4th paragraph, the funds of the Public Works Department for its expenditure will be derived entirely from the Drawing Account raised on a Letter of Credit, and the Miscellaneous receipts realized by Executive Engineers for Rents, Tolls, Income Tax, &c., will not be available for expenditure, but will be paid in gross into the Treasury. These payments into the Treasury will be made to credit of the general revenues, not of the Drawing Account under debt.

But if an Executive Engineer require to make use of such miscellaneous receipts for current expenditure, he may do so, provided he makes a corresponding payment from his Drawing Account into the Bank or Treasury, to credit of general revenues in lieu of the sum so taken. In this case, he should, at the end of the month, send to the Treasury a cheque drawn in favor of the Treasury Officer for the amount thus made use of, and obtain a receipt for that sum from the Treasury Officer on account of "Receipts from the Public Works Department."

12. The detail of the miscellaneous receipts paid into the Treasury direct, or in the mode prescribed in the foregoing paragraph, will not be furnished to the Treasury Officer. They will be classified under the proper heads by the Controllers of Public Works Accounts for the monthly returns and the annual accounts.

*Proceedings of the Madras Government, Public Works Department,
20th August 1864.*

13. The revised heads for Miscellaneous Public Works Receipts were prescribed in the Public Works Department's Account Circular No. 24 of 20th May 1864, and are as follow:—

I.—Receipts appertaining to General Revenue.

1. Miscellaneous Public Works Receipts.
2. Contributions for Public Works.
3. Income Tax.

II.—Receipts appertaining to Debt and Remittances.

4. Miscellaneous Local Fund Receipts.
5. Re-payments from Commissariat.
6. Re-payments of Advances.
7. Deposits.

14. In exhibiting the classified receipts of the Public Works Department, the Accountant General and the Controllers in that Department will be careful to observe the distinction between Revenue and Debt Accounts.

15. These rules will have effect from 1st September next, and the new Drawing Accounts of Executive Engineers under the above rules will be raised on that date against the Letters of Credit for September issued in August. The undrawn portions of the Letters for May, June, July, and August, will lapse according to the old rule.

Ordered that a copy of the foregoing Resolution be communicated to the Public Works Department—the original documents received from that Department being returned; also, that a copy be sent to the Auditor General of India; to the Accountant General, Government of India; and to the several Deputy Auditors and Accountants General.

(True Extract.)

(Signed) E. H. LUSHINGTON,

Secretary to the Govt. of India.

ORDERED that copies of the above Resolution of the Financial Department, be forwarded to the Local Governments and Administrations noted below, for information and guidance. The new rules will come into effect on the 1st September next.

Governments of Madras, Bombay, Bengal, North-Western Provinces, and Punjab
Governor, Straits Settlements.

Chief Commissioners, Oudh, Central Provinces, and British Burma.

Commissioner, Mysore.

Resident, Hyderabad.

Agents to the Governor General, Central India, and Rajpootana.

Ordered also, that a copy be forwarded to the Accountant General, Public Works Department, for issue of the necessary subsidiary instructions.

Also, that a copy be forwarded to the Financial Department.

(Signed) R. STRACHEY, Colonel, R. E.,

Secretary to the Government of India,

To the Secretary to the Government of Madras, Public Works Department.

No. 409. ORDER THEREON, 20th August 1864, No. 2,388.

1. Ordered to be communicated to the Controller and Auditor of Public Works Accounts, and to the Superintending Engineers, for information and guidance.

2. As the rules contained in the foregoing Proceedings are to have effect from the 1st September next, the cash Estimates for the ensuing month, already received from the Superintending Engineers, will be transferred to the Controller, to whom all cash Estimates should, in future, be forwarded by the Local Officers.

*Proceedings of the Madras Government, Public Works Department,
20th August 1861.*

3. With reference to the latter clause of paragraph 4, fresh cheques will be printed, with the foot-note altered, so as to provide for their holding good for three months, from date of issue. In the meantime, the cheques already supplied will be used, the foot-notes being corrected, as shown in the margin.

This cheque will hold good for three months from date of issue. Government will not be responsible for payments *bona fide* made to "Order" by their Treasury Officers

4. The special attention of the Controller will be drawn to paragraph 10, and he will be requested carefully to regulate the amounts of Letters of Credit, with due reference to the balance on hand, compared with the requirements for each month.

5. The Controller will issue such subsidiary instructions to the Superintending Engineers as may be necessary for giving effect to the orders of the Government of India from the 1st proximo.

(True Extract.)

(Signed) J. H. M. SHAW STEWART, Major, R. E.,
Deputy Secretary to Government.

*True Copy /
J. H. M. Stewart Major R.E.
Deputy Secretary to Government*

To the Controller and Auditor of Public Works Accounts.

„ Superintending Engineers.

„ Accountant General.

„ *Store Dept.*

„ *Lithographic Dept.*

„ *Records Dept.*

Nov 18 64 ~~Dec 18 64~~
No. 1000 1864-2233.

Proceedings of the
Prothonotary
to S. J. DePort.

Dated 20th 3 Aug 64
Revised 24th 3 Aug 64
No. 2388.

No. 1000 1864-2233
dated 10th Nov 64 to 1865

Referring to the
the No. of the Govt of India
referring the change in mode
of dealing with letters of
credit, and in the Rules for
dealing with Govt Securities.

No. 1000 1864-2233
No. 1000 1864-2233
No. 1000 1864-2233

With our Orders. &

No 1580

Ordered to be commuted
to the Board of Revenue for their

information.

to 1865
31st Aug 64

14
Board of Revenue -
with No. 1000 1864-2233