M.R.O. 14—18,000—27-9-24

MADRAS RECORD OFFICE.

Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 1596 Press Mis.

191-192

Dated 11 - 7 - 1865.

Not to be folded or roughly handled

Proceedings of the Madras Government, Revenue Department,
11*th July* 1865.

No. 191. Read the following Proceedings of the Madras Government in the Military Department:—

Declining, under the circumstances stated, to sanction any change in the present system of payment of the Military Pensioners, &c., of this Presidency. } (Here enter 6th July 1865, No. 2,505.)

No. 192. ORDER THEREON, 11th July 1865, No. 1,596.

Miscellaneous.

Communicated to the Board of Revenue.

(True Extract.)

(Signed) J. GROSE,
Acting Under Secretary to Government,

To the Board of Revenue, with Proceedings Military Department, No. 2,505.

Exd. S. T. Augustin.

MILITARY DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following papers:—

From the Adjutant General, Fort Saint George, 11th March 1864, No. 188; to the Secretary to Government, Military Department.

In the correspondence communicated to this Department, with your memorandum of the 16th February 1864, the Government of India requests the Madras Government to offer its opinion on the feasibility of reducing the number of Officers employed in this Presidency in disbursing Pensions: and, in the memorandum from the Calcutta Finance Department, No. 5750, dated 21st November 1863, it is suggested that, by the transfer of payments of Family Remittances to Civil Treasuries, it would be practicable to introduce quarterly payments of Pensioners, whereby the above desired object might be attained.

2. The Commander-in-Chief observes that in the Proceedings of Government, dated 21st June 1862, No. 2217, it was decided that at certain Stations in the Presidency, the payment of Military Pensioners could be carried on by the Revenue Officers of Government, without its interfering materially with their more important duties; and the system then obtaining as regards those Stations was allowed to continue—Sir Hope Grant is, however, of opinion that, although the Civil Authorities may, without inconvenience be able to attend to this business at the Stations where there are but few payments to be made, it would be politic to allow the duty to devolve on Military Officers *wherever* practicable—without in the least reflecting on the Civil Officers of Government, it will be readily understood that this arrangement would be acceptable to the Army as well as to the Pensioners: for their referee would then be one who had served with them and been accustomed to listen to their representations, and to whom they would therefore unhesitatingly appeal when they had any cause for complaint, either real or imaginary. This would tend to ensure a feeling of content; which is not an unimportant consideration in dealing with a question affecting a Military body.

3. The Commander-in-Chief does not share in the apprehension expressed by the Finance Department in Calcutta, of the embarrassing inconvenience that will ultimately be felt in finding Military Officers for the payment of Pensioners. This is a possible contingency, which, if it ever does occur, is now so distant, that it seems unnecessary to take it into consideration. In the meanwhile the present reserve of Supernumerary Officers, &c., will more than supply the number required; and the anticipated prospective contingency can scarcely arise, for additions to the Staff Corps, to the extent required, can be made *when* "the reserve is exhausted."

4. In order to limit as far as possible the number of Officers to be employed on this duty, as urged by the Supreme Government, the Commander-in-Chief would propose the formation of Circles of payment with a Pension Paymaster to each Circle. This would of course necessitate the payment of Pensions, quarterly instead of monthly; but quarterly payments already obtain in Bombay; and as this seems to be the only way of effecting what is desired by the Government of India, perhaps His Excellency the Governor in Council will not consider that there is any valid objection to the introduction of the same system here.

5. It is well known that many of the Military Pensioners even now allow their Pensions to remain undrawn for three and four months together: to such therefore there will be no inconvenience in the change of payment. But there are others who have been in the habit of depending on their stipends *monthly*, and to them the change may perhaps be unacceptable. To meet such cases, and to give confidence to all—for changes are distasteful to the Natives—it might be ruled that Pension Paymasters should afford such Pensioners the opportunity, if they wish to avail

themselves of it, of receiving payments when due for a month, (as it were) "on account of their quarterly stipends: and these might be adjusted on quarterly Abstracts. This could be done by the Officer intimating to the men that he would be prepared to pay them monthly, if they will meet him on certain fixed dates at certain specified Stations—This system would involve the necessity of taking up sums *apparently* in advance, but they would only be in reality for the payment of stipends already due. The Controller of Military Finance will be able to report to Government, whether this plan would entail very much trouble on the Pay Department by a complication of Accounts. If so, His Excellency would not urge its adoption, but recommend that quarterly payments should be the invariable rule.

6. If this system is approved of, the Commander-in-Chief would propose the eight Circles of payment shewn in the annexed memorandum A. These Circles comprise the great bulk of the Military Pensioners; and includes all the Stations that can be conveniently provided for under the system.

7. The Pensioners at the Stations not included in these Circles, (whether within or beyond the frontier), should be paid by the local *Military* Authorities *whenever there is an Officer on the spot*—when there is not, then the local Civil Authority should disburse the Pensioners' stipends. But at these Stations, as well as those included in the Circles, the quarterly payments should be introduced.

8. With regard to the disbursement of Family payments, the Commander-in-Chief considers that the recipients should still have the opportunity of receiving these sums *monthly*, if they choose to avail themselves of it.

9. With this view, His Excellency suggests that there should be six Stations, and six *only*, at which these sums should be payable *monthly*.

The following might be fixed upon:—

Chicacole.	Vellore.
Ellore.	Trichinopoly.
Madras.	Bangalore.

Holders of Family Certificates who desire to receive their payments at the above six Stations might do so *monthly*. But those who wish to be paid elsewhere must be satisfied with quarterly payments as will be disbursed to Pensioners, if the new system be adopted.

10. The next point for consideration is the remuneration to be given to the Paymaster's of Circles. The salary should, in the Commander-in-Chief's opinion, bear reference to the number of payments rather than to the aggregate sum disbursed. The following scale of payment, with mileage allowance at 8 Annas* per mile, when going from Station to Station appears to be a fair remuneration for the duty and pecuniary responsibility.

1st Class Paymaster	exceeding payments	6,000...	Rs. 300
2nd do.	do.	4,000...	„ 250
3rd do.	below	4,000...	„ 200

allowance for Writers and Stationery should also be granted at the rate of Rs. 125, 100 and 75, respectively, for the several classes.

11. The question of abolishing the appointment of Superintendent of Pensions and Family money, seems to be one for consideration in the Finance Department; but as the Commander-in-Chief's opinion has been invited on this point, His Excellency desires me to say that the appointment cannot, he thinks, be abolished, for it seems impossible to do away with an Office of General control and record for Pensions and Family Certificates, which should be under some responsible Officer of Government. Sir Hope Grant observes that both in the Bengal and Bombay Presidencies, one of the Pension Paymasters is also Superintendent of Family money.

* *Only 3 Annas a mile where Railway travelling is available.*

A

MEMORANDUM of proposed Circles for Paymasters of Pensioners.

Station or Collectorate.	Number of all classes of Native Pensioners	Number of holders of Family Certificates.	Remarks.
First Circle.			
Vizagapatam...	2,042	416	
Vizianagramy...	902	157	
Chicacole...	1,816	539	
Palcondah...	195	15	
Berhampore...	544	445	
Total...	5,499	1,572	
Second Circle.			
Samulcottah...	772	302	
Rajahmundry...	1,278	182	
Ellore...	1,730	405	
Condapilly...	308	32	
Masulipatam...	1,805	117	
Guntoor...	643	33	
Ongole...	174	31	
Total...	6,710	1,102	
Third Circle.			
Hurryhur...	91	3	
Bellary...	424	24	
Kurnool...	133	4	
Cumbum...	190	1	
Total...	838	32	
Fourth Circle.			
Royacottah...	272	14	
Bangalore...	1,280	122	
French Rocks...	372	48	
Mysore...	109	5	
Hoonsoor...	41	6	
Mercara...	139	20	
Total...	2,213	215	
Fifth Circle.			
Arcot...	921	69	
Arnee...	826	239	
Vellore...	2,668	471	
Chittoor...	664	20	
Salem...	228	17	
Coimbatore...	58	12	
Palghat...	55	24	
Total...	5,420	852	
Sixth Circle.			
Madras...	2,132	456	
Mount...	940	183	
Palaveram...	86	17	
Chingleput...	373	18	
Poonamallee	269	16	
Tripasore...	99	...	
Cuddapah...	291	2	
Nellore...	516	33	
Total...	4,706	725	

Memorandum of proposed Circles for Paymasters of Pensioners.—(Continued.)

Station or Collectorate	Number of all classes of Native Pensioners	Number of Holders of Family Certificates.	Remarks.
Seventh Circle.			
Cuddalore...	875	27	
Negapatam...	201	9	
Tanjore...	898	118	
Combaconum...	302	9	
Trichinopoly...	1,927	147	
Dindigul....	154	36	
Total...	4,357	316	
Eighth Circle.			
Madras...	603	47	
Ramnad...	94	2	
Palamcottah...	510	86	
Quilon...	38	3	
Total...	1,245	138	

ADJUTANT GENERAL'S OFFICE, FORT SAINT GEORGE, 11*th March* 1864.

(Signed) J. M. PRIMROSE, Colonel,
Adjutant General.

Proceedings of the Madras Government, Revenue Department.

Read the following letter:—

From the Secretary to the Board of Revenue.

Replying to Government Order, dated 2nd March 1864, No. 377, Revenue Department, suggesting that Civil Treasuries shouldmake the payments on account of Sepoys' remittancesand Family Certificates. } Here enter 16th March 1864, No. 1619.

ORDER THEREON, 29th March 1864, No. 520.

The Board of Revenue are requested, after communication with the Superintendent of Pensions and Family Payments, to submit a Statement shewing the extra Establishment required on the supposition that the Civil Department merely cash the cheques (to A. B. or bearer) of the Military Paymasters on account of Pensions and Family Payments disbursed as at present, and also quarterly, keep the necessary Accounts and submit the necessary Returns to the Offices of Audit and Account.

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

From the Superintendent of Pensions, Fort Saint George, 18th April 1864, No. 3959; to the Secretary to Government, Military Department.

As directed in Order of Government, No. 2353 of 20th July 1863, I have the honor to forward, duly corrected and amended with marginal Abstracts, Tables of Contents, Indices, &c., the revised copy of Family Payment and Pension Regulations, and request that 350 copies of the same may be furnished to this Office, printed and bound for distribution, agreeably to the annexed scale.

Scale.

For the use of the Adjutant General's Department, Corps, Brigade Majors, Staff Officers, and Officers Commanding Stations, as per list received from the Adjutant General	138
For the use of Departments at the Presidency...	35
Do. the Officers in charge of Family Payments and Pensioners...	130
Do. the Office of Superintendent of Family Payments and Pensions	20
Spare copies...	27
	350

(Signed) H. ROBERTS, Captain,
Superintendent of Pensions.

Proceedings of the Madras Government, Revenue Department.

Read the following Proceedings of the Board of Revenue, dated 27th June 1864, No. 3950.

Read again Government Order, dated 29th March 1864, No. 520, Revenue Department.

Read also the following letter from the Superintendent of Pensions and Family Payments, dated Fort Saint George, 27th April 1864, No. 5385.

With reference to your memorandum, dated 4th April 1864, I have the honor to forward two Statements shewing the average amount disbursed monthly on account of Sepoys' Family Certificates and Pensioners, and the average number of individuals to whom payments on these accounts are made monthly at each Station as they are at present paid.

ENCLOSURE No. 1.

ABSTRACT.—Statement shewing the average number and amount of Family Certificates paid at each Station monthly during the last twelve months.

ENCLOSURE No. 2.

ABSTRACT.—Statement shewing the number and amount of Pension Certificates paid at each Station, Corps and Collectorate during the month of February 1864, *i. e.*, the last month up to which the Accounts have been received.

---

1. The Statement furnished by the Superintendent of Pensions, of payments made on account of Military Pensions and Family Certificates, shows payments at all Stations, whether by Military or Civil Officers, and gives the following result as the monthly average:—

	Number of Recipients.	Amount paid Rupees.
Pensions...	37,720	2,26,055
Family Certificates	5,284	45,745
	43,004	2,71,800

2. The extent to which the payments are made by Military Officers specially appointed, by Civil Officers, or by Commandants of Corps, is shewn below. Captain

Roberts has not distinguished the payment of Family Certificates in this manner, but the Board have assumed that at Stations where Civil Officers pay Sepoys' Pensions, they also pay Family Certificates.

	Number of Recipients.	Monthly average amount of payment Rupees.
Payments made by special Military Officers ...	31,424	2,03,476
Civil Officers including Collectors and Deputy Collectors, and Commissariat Officers...	9,692	57,047
Officers Commanding Corps	1,888	11,277

3. As already stated, however, the above figures include all the Stations at which these payments are made, many of which are beyond the Presidency frontier. They also include the cases of Pensioners, &c., attached to Regiments. The Board have therefore prepared revised Lists, which are appended to these Proceedings, and of which the following is an Abstract:—

Monthly average of payments made within the Madras Presidency on account of Pensions and Family Certificates by othar than Commanding Officers of Corps.

	No. of Recipients.	Amount paid Rupees.
Pensions	30,485	1,80,560
Family Certificates	4,896	42,486
Total ...	35,381	2,23,046
Of which paid by special Military Officers	26,583	1,71,089
Civil Officers	8,798	51,957

Particulars of payments by Civil Officers.

	Number.	Rupees.
Pensions	8,118	47,525
Family Certificates	680	4,432
Total ...	8,798	51,957

4. It will be observed that the amount and relative proportion of the Pensions and Family Certificate payments respectively are greatly changed since Colonel Pritchard reported on the Department. The greatly reduced number of Madras Troops beyond the frontier, and the large additions made to the Pension List by the reduction of the Army, account for this change.

5. The question referred by Government to the Board is, what extra Establishment would be required in the Civil Department, supposing that individual payments are henceforth made by cheques on the District Treasuries drawn by Military Paymasters monthly as at present paid, or quarterly as suggested to be paid, the Civil Department rendering the necessary Accounts and Returns to the Officers of the Audit and Account?

6. It will be observed that the number of individual payments made by special Military Officers, is 26,583, and supposing that the change of system did not

extend to the case of Pensioners, &c., now paid by Civil Officers, the effect on the Treasury work would be as shewn below:—

Number of Stations.	Number of individual payments monthly.	Total amount disbursed.
		Rs.
39	26,583	1,71,089
Average for one Station.	682	4,387
	Average for each individual ...	6

7. The above indicates a considerable addition to the Treasury work, but the Board do not consider that it is more than the existing Establishments could undertake, if the transfer does not carry with it any elaborate system of Accounts and correspondence, and they do not understand that any thing of the kind would be necessary. Cheques would be drawn against an established credit, and all that would be needed in the Treasuries would be to debit the credit account with the amount cheques paid, and to register the cheques themselves and the Letters of advice.

8. The Board, however, observe that the above, which exhibits the probable result of the suggestion made by this Government in their Order, dated 29th March 1864, No. 520, Revenue Department, includes much more than was apparently contemplated in the memorandum of the Financial Secretary to the Government of India, dated 21st November 1863, in Government Proceedings, dated 2nd March 1864, No. 377, Revenue Department, which alludes only to "Sepoys' Remittances" and "Family money," and does not include Sepoys' pensions.

9. The Board understand that "Family Certificates" are the only *special* means of remitting money to their families available to Sepoys in this Presidency. The payments made on this account within this Presidency by special Military Officers are shewn in Annexure B.

10. It will be seen that on an average Rupees 38,054 are thus disbursed every month to 4,216 recipients at eighteen Stations, giving an average of 234 recipients at each Station, and of 9 Rupees paid to each recipient.

11. The Board do not think there can be any doubt that the existing establishments at Civil Treasuries could easily undertake to cash cheques for these payments monthly, if required, the Account requirements being limited as above described.

12. Ordered that copy of these Proceedings be submitted for the consideration of Government, with reference to their Order recorded at the commencement.

ORDER THEREON, 9th May 1865, No. 954.

Miscellaneous.

G. O. 27th Nov. 1861, *Mily Dept. No.* 4306.

1. In 1861, the Government, as a measure of economy, transferred to the Civil Department the duties connected with the payment of Military Pensions and Family Certificates at any Station within the Presidency, except Madras.

2. A brief experience of this system, however, compelled the Government to re-consider the subject. At several Stations the number of Pensioners was so large

and the duties so heavy, as to interfere seriously with the other more important work of the local Civil Officer. In one instance, for example, an Officer holding the joint office of Sub-Collector and Judge, and receiving a salary of Rupees 1,200 per mensem, had to devote a week in every month to the duty of paying Pensioners with its attendant work of correspondence and account. Such a system was evidently the reverse of economical, and it was ultimately determined that the duty should devolve on the Civil Department, at only 39 out of the 53 Stations at which Military Pensioners resided.

G. O. 11th June 1862, Rev. Dept, No. 1288.

3. The Government adhere to the conclusion arrived at, after actual experience, that in this matter, the Civil Department cannot with economy or advantage undertake the duty of paying Military Pensions at large Stations.

4. The Government of India, however, enquire.

I. Whether Sepoy remittances cannot be disbursed by Civil Treasuries.

II. Whether "Family money" cannot be disbursed to payés by Civil Officers.

5. Understanding this proposal to be that the duty of the Civil Department is to be limited to cashing cheques drawn on the Civil Treasuries by the Military Authorities (the cheques being in favor of the payé or bearer, and not to the payé's order), and to furnishing an account of the sum paid on such cheques, accompanied by the satisfied cheques as vouchers, the Government concur with the Board of Revenue that the duty may be undertaken by the Civil Department, probably without any additional Establishment, as the disbursements at each Station are not very large.

6. *Similarly* Military Pensions might also be disbursed on cheques, by Civil Treasuries; but as the monthly payments average two lacs of Rupees disbursed to 37,000 recipients, additional Accountants and Shroffs would assuredly be required.

7. As already stated, however, the feasibility of this arrangement depends entirely on the duty of the Civil Department, being limited to cashing cheques on presentation to the bearer and furnishing a simple statement of the payments made with the cheques as vouchers. If more is contemplated; if the Civil Department has to identify persons in whose favor the cheques are drawn; to ascertain their abodes; adjust claims, and conduct correspondence with Commanding Officers and others, the duty cannot be undertaken by the Civil Department without serious detriment to its own legitimate work and largely increased expenditure. On this point the Government quite concur in the opinion expressed by the Board of Revenue in the following Extract from their Report:—

"The Board gather from these extracts and from other parts of Colonel Pritchard's Report that the payments on Family Certificates and Sepoys' remittances, which it is proposed to transfer to Civil Treasuries in such manner as to allow of a considerable change in the system of the Pension Department, and the abolition of an office which Colonel Pritchard describes as essentially necessary for the proper working of the Family Payments branch, involves much labor; heavy responsibility; great opportunity for fraud by subordinates; wide inquiry to ascertain where the parties are who are interested; difficulty in discovering them; difficulty in adjusting cases of non-payment for good cause, and a considerable amount of correspondence:

and the Board have no hesitation in expressing their opinion that it is altogether unreasonable to suppose that such onerous duties can be undertaken and efficiently performed by the Revenue Department, in addition to their own extensive duties, or that the plan can fail to result in most seriously hampering both Departments, and ultimately breaking down as completely as did the experiment in regard to the Military Pensions."

"The extent of the Revenue charges and the duties of Revenue Officers are so different in this Presidency from what they are in Bengal, that the fact of the plan having worked in the latter Presidency is no reason whatever for supposing that it is practicable here, where, for some time past, revisions of Establishments and amalgamation of charges have been going on, which have left the Revenue Department with barely what is absolutely necessary for its own proper work. If, however, the Board are mistaken in supposing that it is intended to transfer these complicated duties to the Revenue Department, and if all that is required is that the Civil Treasuries shall pay to the holder and presenter the amount of a draft on them from the Pension Department, payable to bearer, it is probable that this might be effected with some addition to existing Establishments, although even the simple disbursement of 26 lacs of Rupees over the Treasury Counter in small sums ranging from Rupee 1 to Rupees 30 will entail a considerable amount of labor."

(True Extract.)

(Signed) J. D. SIM,
Secretary to Government.

With Report from the Acting Controller of Military Accounts, 23rd May 1865, A.

ORDER, No. 2505, 6th July 1865.

With the foregoing papers the Commander-in-Chief submits a scheme for the payment of Pensioners in this Presidency by means of Circle Paymasters, in assimilation to the practice in Bengal.

2. In reporting on the Adjutant General's letter, the Controller of Military Accounts points out that the cost of eight Circles of Payment will be excessive, and proposes to reduce them to three, whereby the cost will be reduced by Rupees 2,789 only *per annum*, below the existing expenditure; irrespective, however, of any saving to be effected in the Superintendent's salary and Office allowance.

3. On a careful consideration of the subject, the Governor in Council is indisposed to any present change in the system of payment of the Pensioners, Pensioned Heirs, and family Certificate holders of this Presidency, a system which is acknowledged to be at once acceptable to the Pensioners themselves, and conducive to the interests of Government. The great increase in the number* of Pensioners, consequent upon recent reductions in the Army, would alone afford sufficient reason for avoiding any decrease of supervision at present, and the proposed scheme, besides offering no corresponding advantage to the Pensioners, would interfere with what has become their prescriptive right, namely, the monthly receipt of their stipends. It would moreover very generally disconnect the Pensioners from Military superintendence which they much prize, and it would unquestionably afford greater opportunity and facility

* *On 30th April* 1860,...28,786.
,, *30th* ,, 1865,...41,374.

for fraud than at present, besides unduly delaying the adjustment of claims, a matter of grave inconvenience and discomfort, to the proverbially improvident Sepoy of this Army.

4. Under the above view, it will be intimated to the Government of India that, in the opinion of this Government, it is neither expedient nor politic to make any change in the existing arrangements for the payment of Pensioners in this Presidency, beyond a more careful selection of the Officers appointed to their charge, former defects being attributable rather to the personnel of the department than to the system.

To the Offg. Secy. to the Govt. of India, Mily. Dept. | Here enter 6th July 1865, No. 2506.

(True Extract.)

Under Secretary to Government.

To the Adjutant General.
" Controller of Military Accounts.
" Revenue Department. With Spare Copies
" Superintendent of Pensions.
" Financial Department.

No. 1596
Communicated to the Board of Revenue

11th July 65.

1 Ltr to Board of Revenue Comm. Dept. No 2505 Dated 11 July

13/3

Exd. J. E. Cashart.

For 11 June/62 Nos. 161-2
2 March/64 — 28-29
29 — " — 317-318

Rev = 1865 Ogl. Sept.
Pro. of Govt. for July
No. 1819.

Proceedings of the
Madras Govt. in
the Military Dept.

Dated 6th July
Received 21-8-65
No. 2505.

Declining, under the circumstances stated, to sanction any change in the present system of payment of the Mily Pensioners of this Presidency.

No. 1596. 11 July

Sos. 191 & 192.

Withdrawn Order.

Q