Revenue (1897) Department.

MISCELLANEOUS SERIES.

G.O., No. 5365

DATED 15th Octr.

[Despatch Abstract.]

Comml & the Govr of Orfs under the Revs Lieut. Govr Pwz on the Subject of the Grant of exchange Compensation allowance.

BACK PAPERS.

G.O.	No	Department.	Date.	G.O.	No	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O	No.	Department.	Date.

Government {1897} of Madras.

FINANCIAL.

Recd. } 1897. *Enclosures*

Regd. *Spare copies*

G.O., No. 809, 30th September 1897.

SEPTEMBER.

G.O. Mds. no. 5365 of 15th Oct'97
Communicated to the Heads of Depts under the Revenue Secretariat

15/X/97

26 To the Heads of Depts under the Revenue Secretariat

Exchange Compensation Allowance.

Communicating to the departments of the Secretariat and to all heads of departments under the Chief Secretary Resolution of the Government of India regarding the enforcement of Rule XIII of the new rules for the grant of — in certain cases; requesting the Accountant-General and heads of departments to report to Government all cases in which any doubt exists as to the eligibility of an officer to draw the — under the new rules; and warning all officers of their liability in the matter.

List

4/10/97

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—again the following papers :—

G.O., No. 491, Financial, dated 24th June 1897.

Abstract.—Communicating, with remarks, to the departments of the Secretariat resolution of the Government of India issuing new rules for the grant of exchange compensation allowance, and directing republication of the resolution in the *Fort St. George Gazette*.

G.O., Nos. 587, 588, Financial, dated 29th July 1897.

Read—the following letter from E. A. DENNYS, Esq., Examiner of Public Works Accounts, Madras, to the Secretary to Government, Public Works Department, dated Madras, 28th June 1897, No. 317-A :—

With reference to the revised rules governing the grant of exchange compensation allowance as contained in Government of India Resolution, No. 2422-Ex., dated 31st May 1897, published in Part I, *Gazette of India*, of 5th idem, I have the honour to ask that, in anticipation of the "lists of offices, services and departments" promised in paragraph 6 of that resolution, the orders of Government of India may be obtained on the question of the correct method of applying Rule XIII of the Subsidiary Rules annexed thereto.

2. If Rule XIII is intended to be applied *retrospectively*, i.e., with effect from 1st April 1897, it is not clear whether, seeing that exchange compensation allowance apparently ceases with the first promotion—

(*a*) the first increase in salary will have to be reduced by the amount of exchange compensation allowance drawn on 1st April 1897, and continue to be reduced by that amount, monthly, until the total amount of the allowance drawn since 1st April 1897 has been made good to Government, or

(*b*) whether the *whole* amount of an officer's increase in salary will have to be surrendered monthly until the amount drawn since 1st April 1897 has been made good to Government as above.

3. If, on the other hand, Rule XIII is *not* to apply retrospectively, I take it that an officer will continue to draw the allowance until promoted, when the amount of his increase in salary will be taken at once in reduction or extinction of his claim as the case may be, and that thereafter he will merely draw the pay or salary proper of the grade to which promoted.

Endt. No. 695-D.

Transferred to the Financial Department.

2nd *July* 1897.

(Signed) D. McNEIL CAMPBELL, Col., R.E.,
Secretary to Government, P.W.D.

Order—No. 587, Financial, dated 29th July 1897.

The Government of India will be addressed.

(True Extract.)

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

Letter—No. 588, Financial, dated 29th July 1897, to the Secretary to the Government of India, Finance and Commerce Department.

Rule XIII of those in regard to the grant of exchange compensation allowance forwarded with Finance and Commerce Department Resolution, No. 2422-Ex., dated 31st May 1897, states that the new rules shall come into force with effect from the 1st of April 1897 "provided that officers to whom exchange compensation would not be admissible under these rules, but who have been admitted to it under the rules previously in force, will continue to draw it to the extent of the salaries they were drawing on the 1st of April 1897; but any increase in their salary after that date will be taken in reduction and ultimately in extinction of the claim to the allowance." Paragraph 12 of the resolution quoted above intimates that Rule XIII, so far as it provides for the withdrawal of the allowance from officers who have been admitted to it under past rules, will not be brought into force until the proposed lists of appointments called for in paragraph 6 of that resolution have been considered and determined. The local Examiner of Public Works Accounts points out that if Rule XIII is intended to be applied retrospectively, that is, with effect from the 1st of April 1897, it is not clear whether (*a*) the first increase in salary will have to be reduced by the amount of the allowance drawn on 1st April 1897 and continued to be reduced by that amount monthly until the total amount of the allowance drawn since 1st April 1897 has been made good to Government, or (*b*) whether the whole amount of an officer's increase in salary will have to be surrendered monthly until the amount drawn since 1st April 1897 has been made good to Government as above. If Rule XIII is not to apply retrospectively, the Examiner understands that an officer will continue to draw the allowance until promoted, when the amount of his increase in salary will be taken at once in reduction or extinction of his claim, as the case may be, and that thereafter he will merely draw the pay or salary proper of the grade to which promoted.

2. It does not seem to His Excellency the Governor that it was intended that Rule XIII should have any retrospective effect in the sense understood by the Examiner. The correct reading of the rule appears to be that the salary (including in that term exchange compensation allowance) of an officer who has been admitted to the allowance under the old rules but who is not eligible for it under the revised rules will, after the 1st of April 1897, not really increase until he has reached a stage of salary which exceeds the pay proper *plus* exchange compensation allowance which he was drawing on that date.

3. The point is, however, not free from doubt and I am therefore directed to request instructions as to the correct interpretation of the rule.

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

Read—also the following paper :—

Resolution of the Government of India, Finance and Commerce Department, dated Simla, 21st September 1897, No. 4217-Ex.

Read—

Resolution by the Government of India, Finance and Commerce Department, No. 2422-Ex., dated the 31st May 1897, and Rule XIII of the revised rules for the grant of exchange compensation allowance promulgated therewith, which runs as follows :—

XIII. These rules shall come into force with effect from the 1st of April 1897, provided that officers to whom exchange compensation would not be admissible under these rules, but who have been admitted to it under the rules previously in force, will continue to draw it to the extent of the salaries they were drawing on the 1st of April 1897; but any increase in their salary after that date will be taken in reduction and ultimately in extinction of the claim to the allowance.

Resolution—

The orders contained in paragraph 12 of the above Resolution directed that Rule XIII, so far as it provides for the withdrawal of the exchange compensation allowance from officers who have been admitted to it under past rules, would not be brought into force until the lists (*a*) of offices in which European qualifications are held to be indispensable and (*b*) of services and departments in which a proportion of Europeans

is held to be indispensable should have been considered and determined. When these orders were issued it was anticipated that the lists would be prepared and approved within a period of three months from the date of issue of the resolution. More than that period has, however, already elapsed, and it is now evident that it will not be possible to finally settle the lists for some time.

2. His Excellency the Governor-General in Council considers it undesirable to postpone any longer the operation of the orders of the Secretary of State, and accordingly directs that the rule be brought into force at once in cases of officers who were appointed in India and whose salary is less than Rs. 400 a month, inasmuch as they, as a general rule, will not fulfil the conditions required to entitle them to the allowance, and also in all other cases in which the head of the department or office in which the officer serves considers that there is reasonable doubt whether the officer will be eligible under the new rules. No recoveries need be made of amounts passed in respect of any salary for the month of August 1897 or earlier months; but it must be understood that all amounts drawn for subsequent months will be subject to readjustment under Rule XIII, if the officer concerned is finally declared ineligible.

3. The Governor-General in Council takes this opportunity to explain that the intention of Rule XIII is to continue to officers who have been drawing exchange compensation allowance under the old rules, but are not entitled to it under the new, exchange compensation allowance at the rate fixed quarterly by the Comptroller-General, in respect of the salary which they were drawing on the 1st April 1897, such allowance being subject to reduction to the extent of any increase of salary on or after 1st April 1897, so as to be gradually absorbed in such increase.

Order—

Ordered, that the foregoing resolution be circulated to all Local Governments and Administrations; to Departments of the Government of India; and to Heads of Departments subordinate to the Financial Department.

Ordered also, that it be communicated to the Comptroller and Auditor General, and to all Accountants-General and Comptrollers, for information and guidance.

(Signed) J. F. FINLAY,
Secretary to the Government of India.

Order—No. 809, Financial, dated 30th September 1897.

Communicated to the departments of the Secretariat and to all heads of departments under the Chief Secretary for guidance.

2. The Accountant-General and heads of departments should immediately report to Government all cases in which any doubt exists as to the eligibility of an officer to draw the exchange compensation allowance under the new rules, and all officers should be warned of their liability in the matter.

(True Extract.)

for *Chief Secretary.*

To the Ecclesiastical Department.
„ Educational Department.
„ Judicial Department.
„ Legislative Department.
„ Local and Municipal Department.
„ Marine Department.
„ Political Department.
„ Public Department.
„ Public Works Department.
„ Revenue Department.

Copy to all heads of departments under the Chief Secretary.

Exd. C. M. Thumbuswamy.

30.

When given for copying ——
When copied ——
When examined ——
When signed ——
} 189.

Read again G.O., No 189, dated

Current No.

Enclosures to G. No.

Order of Government	A	A	A	A	A	A	A	
Letter of Government.								
Statement with ditto.								
Papers not filed up, being meant for despatch in original.								

N.B.—
A = Copy in full.
B = Not to be copied.
P = Copy abstract only.
Q = Copy heading only