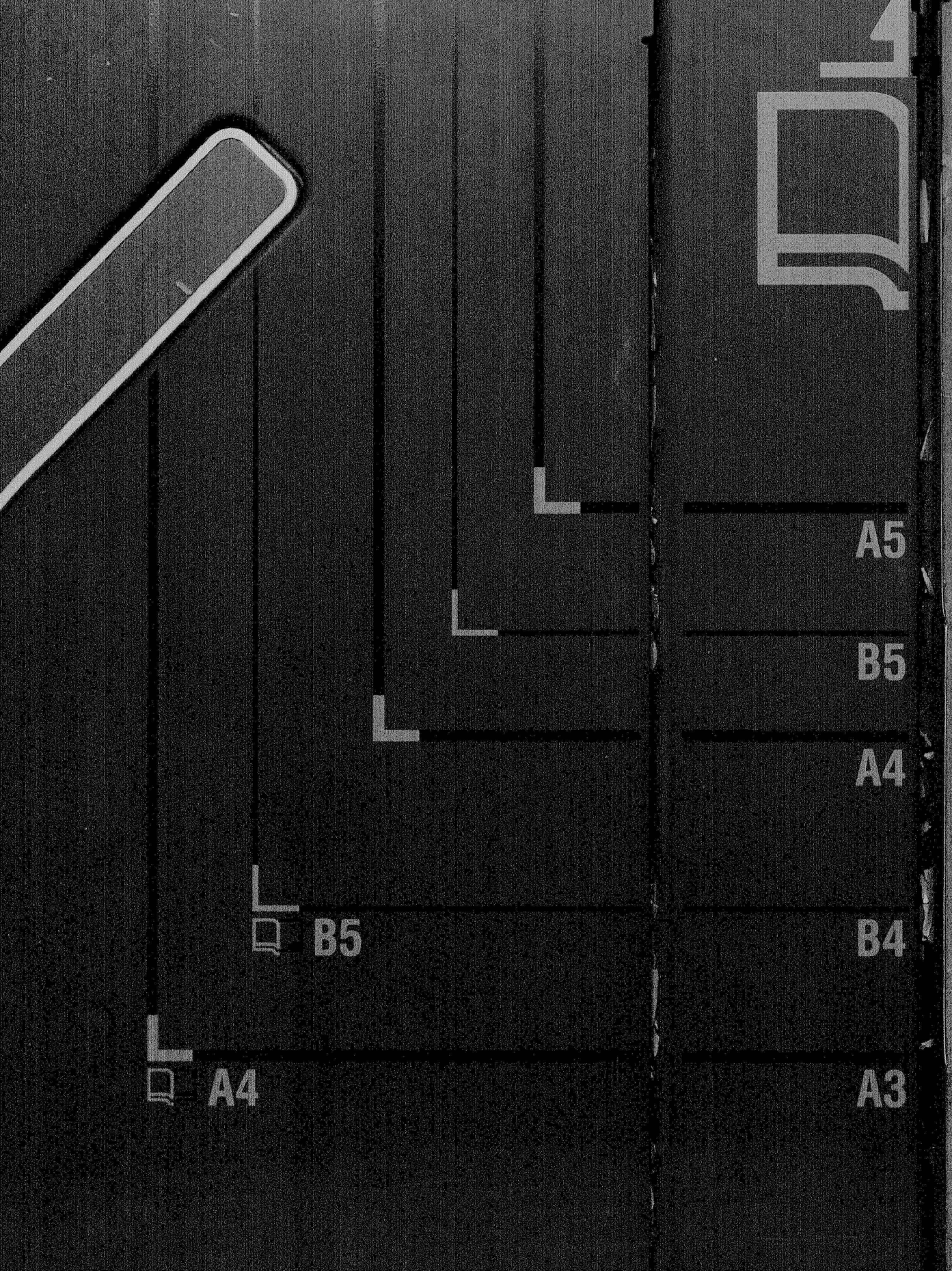


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(2) Date of repair 15. 6. 39

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Judicial DEPARTMENT.

G.O. No. 804 Press Mis.

Dated 18-3- 1941.

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Proceedings of the Madras Government, Financial Department, 12th March 1862.

No. 31. Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 25th January 1862, No. 922.

Read letter from T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, to the Secretary to the Government of India, Financial Department, No. 604, dated Fort Saint George, 4th December 1861.

No. 43, Financial Department, Fort William, the 4th January 1862.

Forwarded to the Public Works Department, for a report on the views expressed by the Government of Madras in paragraph 3 of the above letter. Original paper to be returned.

Office Memorandum from Lieutenant Colonel H. YULE, Secretary to the Government of India, Public Works Department, to the Secretary to the Government of India, Financial Department, No. 149, dated Fort William, 13th January 1862.

General Accounts.

With reference to the remarks of the Madras Government on the subject of submittingBudgets of the expenditure of Municipal and Local Funds, forwarded under Financial Department Docket, No. 43,* dated 4th instant, the undersigned has been directed by the Governor General in Council to communicate the following remarks.

* Herewith returned.

2. The views of this Department on the subject have been expressed in Resolution of 22nd September 1860, thus:

"It is not intended, by requiring the insertion in the Budget of outlay from funds entirely at the disposal of the Local Government, to exercise any interference therewith. It is only desired that the Government of India should be kept informed of the outlay, for financial purposes, and of the nature of the projects, for information's sake, and in reference to their effect upon the wants of the country, which remain to be met from Imperial Funds."

And again in the new Budget Rules issued in July last:

"42. The Budget of Local Funds will also be separate from the Budget of Imperial Public Works, and will be arranged under similar parts, *so far as they may be applicable*. The object of this Budget is the useful information which it affords as to an important part of the whole field of public improvement, as well as the exercise of foresight which it induces. But interference with the authority of the local Governments over this expenditure is not implied in the call for a Budget."

3. These being the views of this Department, it is held that the Madras Government is right in its *quasi-protest* against further interference. Local Budgets are called for in this Department as programmes of what the Local Governments intend to do with their Local (Public Works) Funds, but it does not contemplate the exercise of any control, or the necessity of sanction to the works at all. The amount of work done by the local funds in some Provinces is large, and forms no small element in the progress of improvement; the submission of the programme of such expenditure is therefore a matter of considerable interest.

Financial Department, Fort William, the 25th January 1862.

Resolution.—The Governor General in Council observes that the view taken by the Public Works Department, as expressed in the foregoing communication, seems correct.

Ordered that a copy of the above and of the Office Memorandum from the Public Works Department, be sent to the Government of Madras, for information, in reply to Mr. Pycroft's letter, No. 604, dated the 4th ultimo.

(A true Extract)

(Signed) C. HUGH LUSHINGTON,
Secretary to the Government of India

Proceedings of the Madras Government, Financial Department,
12th March 1862.

No. 32. ORDER THEREON, 12th March 1862, No. 204.

Communicated to the Revenue, Public Works and Military Departments, in reference to the Order of Government dated the 4th of December last, No. 603.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

No. 922

EXTRACT from the Proceedings of the Government of India, in the Financial Department, d. 25th January 1862.

From T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, to the Secretary to the Government of India, Financial Department, No. 604, d., Fort Saint George, 4th December 1861.

I AM directed by His Excellency the Governor in Council to acknowledge the receipt of an Extract from the Proceedings of the Government of India, dated 24th October last, No. 12651, directing that with a view to ensure uniformity of practice in the check and control of expenditure in the case of Municipal and all other local funds, a Budget Estimate of expenditure chargeable to such Funds be submitted by the officers charged with their control through the local Government to the proper Department of the Government of India; and when sanctioned, that the Estimate be forwarded to the Deputy Auditor and Accountant General, who will be guided thereby in admitting charges passed by local officers, on the distinct understanding that the limit of the Estimate is to be strictly observed, and that the available assets at credit of each fund shall in no case be exceeded.

2. A copy of the foregoing Resolution has been furnished, through the proper Departments, to all officers charged with the administration of local funds, and they have been directed to submit yearly to the Accountant General within a date to be fixed by him, estimates of expected receipts from, and expenditure of, local funds for the ensuing official year.

3. This Government do not understand that more is desired by the Resolution than that the Finance Department should have the means of seeing that the expenditure on objects which have to be provided for from local sources is not in excess of the proceeds of those sources. They do not suppose that it can be meant that lists of works to be executed, or objects to be carried out from local funds, should be laid before the Government of India for their consideration and sanction. Such a course, they must remark, would involve the submission to the Supreme Government of details which would be of no possible value, would retard and embarrass the proceedings of the local Government, check all improvement and be in complete contravention to the declared desire of the Right Hon'ble the Secretary of State for India, that local matters should be left to the local Government, and that the action of the Central Government should be confined to matters of general and Imperial interest.

4. It should be observed that in this Presidency local funds have not been allowed to be overdrawn.

No. 43, FINANCIAL DEPARTMENT, FORT WILLIAM, THE 4TH JANUARY 1862.

FORWARDED to the Public Works Department, for a report on the views expressed by the Government of Madras in paragraph 3 of the above letter. Original paper to be returned.

Office memorandum from Lieutenant Colonel H. YULE, Secretary to the Government of India, Public Works Department, to the Secretary to the Government of India, Financial Department, No. 149, d., Fort William, 13th January 1862.

General, Accounts. WITH reference to the remarks of the Madras Government on the subject of submitting Budgets of the expenditure of Municipal and Local Funds, forwarded under

Financial Department docket, No. 43,* dated 4th instant, the undersigned has been directed by the Governor General in Council to communicate the following remarks.

* Herewith returned.

2. The views of this Department on the subject have been expressed in Resolution of 22nd September 1860, thus:—

"It is not intended, by requiring the insertion in the Budget of outlay from funds entirely at the disposal of the local Government, to exercise any interference therewith. It is only desired that the Government of India should be kept informed of the outlay, for financial purposes, and of the nature of the projects, for information's sake, and in reference to their effect upon the wants of the country, which remain to be met from Imperial Funds."

And again in the new Budget Rules issued in July last :—

"42. The Budget of local funds will also be separate from the Budget of Imperial Public Works, and will be arranged under similar parts, *so far as they may be applicable*. The object of this Budget is the useful information which it affords as to an important part of the whole field of public improvement, as well as the exercise of foresight which it induces. But interference with the authority of the local Governments over this expenditure is not implied in the call for a Budget."

3. These being the views of this Department, it is held that the Madras Government is right in its quasi-protest against further interference. Local Budgets are called for in this Department as programmes of what the local Governments intend to do with their Local (Public Works) Funds, but it does not contemplate the exercise of any control, or the necessity of sanction to the works at all. The amount of work done by the local funds in some Provinces is large, and forms no small element in the progress of improvement; the submission of the programme of such expenditure is therefore a matter of considerable interest.

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 25TH JANUARY 1862.

Resolution.

THE Governor General in Council observes that the view taken by the Public Works Department, as expressed in the foregoing communication, seems correct.

ORDERED, that a copy of the above and of the office memorandum from the Public Works Department, be sent to the Government of Madras, for information, in reply to Mr. Pycroft's letter, No. 604, dated the 4th ultimo.

(A true Extract)

Secretary to the Government of India.

Pro: 4th D

Finl 1862 Dept.

From
The Secy to the Govt of India · F.Dt. 932.

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No. 167

Inref: to the letter hence No. ... of 4th Decr last on the subject of submitting Budgets of the Expenditure of municipal & local funds, communicates the remarks of the [illegible] of that Govt that by requiring the insertion in the Budget of outlay from funds entirely at the disposal of the local Govt it is not intended to exercise any interference [illegible] but that it is only desired that the Govt of India should be kept informed of the outlay for financial purposes & of the nature of the projects for information's sake.

With an Order

Order thereon. 12th March 1862 No. 204.

Communicated to the Revenue, Public Works and Military Departments in reference to the Order of Government dated the 4th of December last No. 603.

[illegible]

To
Revenue Department
Public Works
Military
} Despd 12th

C.J. [illegible]
R.10 "
31432