M.R.O. 1—77,006—8-6-37.

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(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Finance (DEPARTMENT.

G.O. No. 155 Press Mis.

Dated 5-3- 1864.

15-18 15/15

Not to be folded or roughly handled

18-7-1

No. 15. Read again Proceedings of the Government of India, Financial Department, dated 27th August 1863, No. 4095, and recorded in Proceedings, dated 3rd October 1863, No. 641.

No. 16. Read also the following letter from J. L. LUSHINGTON, Esq., Acting Deputy Auditor and Accountant General ; to A. J. ARBUTHNOT, Esq., Chief Secretary to Government, Fort Saint George, dated 11th February 1864, No. 377.

Budget and Finance Department.

With reference to the Financial Resolution of the Government of India, No. 4095, dated the 27th August last, I have the honor to forward herewith, for transmission to them, an estimate of the expected Receipts and Disbursements in 1864-65 on account of the Educational Building Fund, with a request that the necessary additions may be made in the Budget Estimates forwarded from this office on the 16th and 23rd ultimo, at which time this office was not in possession of the required information.

———

No. 17. ORDER THEREON, 5th March 1864, No. 155.

In their Resolution of the 27th August last, No. 4095, the Government of India directed the abolition of the Educational Building Fund in this Presidency, and the cancelment of the Non-transferable Treasury Note for Rupees 10,00,000, from the interest on which the expenditure on Educational buildings in this Presidency has been hitherto provided.

2. The Governor in Council resolves to bring to the notice of His Excellency the Governor General in Council the following circumstances which, in his opinion, render it unadvisable that the above orders should be carried out.

3. In 1843 and the three following years the Madras Government were engaged in a correspondence with the Supreme Government regarding the measures to be adopted for disconnecting itself from the management of the Native religious institutions of the country. Among other questions which had to be determined, was the course to be taken with reference to the funds in deposit in the Government Treasuries to the credit of Religious Institutions, the management of which had been transferred to Native administrators, and of which there was a surplus amounting to Rupees 10,80,468-7-3.

4. In Mr. Bushby's letter of the 20th September 1845, the Government of India directed that this surplus, which had accrued from an excess in the endowments above what was needed for keeeping the temples, &c. in repair, and for the due performance of the services and duties intended by the founder, "should be held at the absolute disposal of the State, and should be "regarded as a fund to be devoted to the public benefit in works of general utility ; preference "being given, as to the locality where the surplus was to be expended, to the neighbourhood from "which it was derived ; and the education of the people being held forth as the most legitimate "object to which it should be applied." The Madras Government accordingly directed, in their Orders of the 14th July 1846, that of the entire sum, Rupees 8,00,000 "should be transferred "by the Accountant General to the General Education Fund of the Presidency, for the purposes of education in the Provinces." At that time the Educational expenditure of this Government was provided for by an annual grant of Rupees 50,000 sanctioned in 1828 ; and when the Education Despatch of 1854 was issued, the unexpended balance of the annual grant in question, and of the Rupees 8,00,000 of the surplus Pagoda Funds which had been added to it, amounted to more than Rupees 10,00,000.

5. In a Despatch under date the 30th August 1854, the late Court of Directors directed that the expense of the University and College buildings at Madras should be defrayed out of the accumulations standing to the credit of Education, and that the cost of any other buildings for the purposes of education, which might be erected at the public expense, should be adjusted in the same manner. The Accountant General was accordingly directed, under date the 18th December 1855, to place the accumulations in question, as they stood at the date of the Court's Despatch, to a separate head in his accounts, for the construction of Educational buildings, and to debit them with all expenditure on that behalf that had been incurred since the date of the Court's

orders or might be incurred hereafter, submitting yearly accounts for the information of Government. On the 30th April 1855, the fund thus created amounted to Rupees 10,60,615-14-9 ; and in the following year, at the suggestion of the late Director of Public Instruction, concurred in by the Accountant General, the latter officer was directed to invest Rupees 10,00,000 of the accumulated funds in Non-transferable Treasury Notes bearing interest at 4 per cent. per annum. Since that time, all charges incurred in the construction of Educational buildings have been debited to that fund. In July 1861, the Secretary of State directed that the unexpended balance of the interest should not be carried on to the credit of the fund from year to year. The balance at the present time is estimated at Rupees 11,07,000, including the amount of the Non-transferable Treasury Note.

Despatch, 2nd July 1861, No. 3, paragraph 5.

6. The Governor in Council apprehends that the circumstances under which this fund has been formed, must have been overlooked by the Government of India when they passed the Resolution adverted to at the commencement of this order. He cannot think that it would be advisable to merge the fund thus formed in the general Cash balances of the State, or to take any step which might give color to the supposition that it was the intention of the Government to appropriate the balance of the Pagoda funds to any other purpose than those to which in 1846 it was ordered to be applied. It should, he thinks, be treated, as it has been hitherto, as a local fund and separately accounted for in the Public Accounts. In the hope that, under this explanation, the Government of India will re-call their order for the abolition of the fund, the annual charge of Rupees 40,000 on account of interest on the Non-transferable Note has been entered under " G, Interest" of the Budget Estimate of charges for 1864-65, and the estimated disbursements on Educational buildings will be provided for in the Local Fund Estimate.

7. The Supplemental Estimates received with the Accountant General's letter above recorded will be returned to that officer, and he will be requested to exhibit the Receipts* and Disbursements from the Educational Building Fund in the Local Fund Budget Estimate for 1864-65, now under preparation for transmission to the Government of India, a reduction being made in the estimated disbursements under the head of " Grants-in-aid" to bring the charges to the level of the receipts.

* Including the unexpended balance of the current year.

Ordered that the following letter be despatched.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

No. 18. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 5th March 1864, No. 156.

Adverting to the Resolution of the Government of India under date the 27th August last, No. 4095, directing the abolition of the Educational Building Fund in this Presidency, and the cancelment of the Non-transferable Treasury Note for Rupees 10,00,000, from the interest on which the expenditure on Educational buildings in this Presidency has been hitherto provided; I am directed to bring to the notice of His Excellency the Governor General in Council the following circumstances which, in the opinion of His Excellency the Governor in Council, render it unadvisable that the above orders should be carried out.

2. In 1843 and the three following years the Madras Government were engaged in a correspondence with the Supreme Government regarding the measures to be adopted for disconnecting itself from the management of the Native religious institutions of the country. Among other questions which had to be determined, was the course to be taken with reference to the funds in deposit in the Government Treasuries to the credit of religious institutions, the management of which had been transferred to Native Administrators, and of which there was a surplus amounting to Rupees 10,80,468-7-3.

3. In Mr. Bushby's letter of the 20th September 1845, the Government of India directed that this surplus, which had accrued from an excess in the endowments above what was needed for keeping the temples, &c. in repair, and for the due performance of the services and duties

Proceedings of the Madras Government, Financial Department,
5th March 1864.

intended by the founder, "should be held at the absolute disposal of the State, and should be "regarded as a fund to be devoted to the public benefit in works of general utility; preference "being given as to the locality where the surplus was to be expended, to the neighbourhood "from which it was derived; and the education of the people being held forth as the most "legitimate object to which it should be applied." The Madras Government accordingly directed, in their Orders of the 14th July 1846, that of the entire sum, Rupees 8,00,000 "should "be transferred by the Accountant General to the General Education Fund of the Presidency, "for the purposes of education in the Provinces." At that time, the Educational expenditure of this Government was provided for by an annual grant of Rupees 50,000 sanctioned in 1828; and when the Education Despatch of 1854 was issued, the unexpended balance of the annual grant in question, and of the Rupees 8,00,000 of the surplus Pagoda Funds which had been added to it, amounted to more than Rupees 10,00,000.

4. In a Despatch under date the 30th August 1854, the late Court of Directors directed that the expense of the University and College buildings at Madras should be defrayed out of the accumulations standing to the credit of education, and that the cost of any other buildings for the purposes of education, which might be erected at the public expense, should be adjusted in the same manner. The Accountant General was accordingly directed, under date the 18th December 1855, to place the accumulations in question, as they stood at the date of the Court's Despatch, to a separate head in his accounts, for the construction of Educational buildings, and to debit them with all expenditure on that behalf that had been incurred since the date of the Court's orders or might be incurred hereafter, submitting yearly accounts for the information of Government. On the 30th April 1855, the fund thus created amounted to Rupees 10,60,615-14-9 ; and in the following year, at the suggestion of the late Director of Public Instruction, concurred in by the Accountant General, the latter officer was directed to invest Rupees 10,00,000 of the accumulated funds in Non-transferable Treasury Notes bearing interest at 4 per cent. per annum. Since that time, all charges incurred in the construction of Educational buildings have been debited to that fund. In July 1861, the Secretary of State directed that the unexpended balance of the interest should not be carried on to the credit of the fund from year to year. The balance at the present time is estimated at Rupees 11,07,000, including the amount of the Non-transferable Treasury Note.

Despatch 2nd July 1861, No. 3, paragraph 5.

5. The Governor in Council apprehends that the circumstances under which this fund has been formed must have been overlooked by the Government of India when they passed the Resolution adverted to at the commencement of this letter. He cannot think that it would be advisable to merge the fund thus formed in the general Cash balances of the State, or to take any step which might give color to the supposition that it was the intention of the Government to appropriate the balance of the Pagoda funds to any other purpose than those to which in 1846 it was ordered to be applied. It should, he thinks, be treated, as it has been hitherto, as a local fund and separately accounted for in the Public accounts. In the hope that, under this explanation, the Government of India will re-call their order for the abolition of the fund, the annual charge of Rupees 40,000 on account of interest on the Non-transferable Note has been entered under "G Interest" of the Budget Estimate of charges for 1864-65, and the estimated disbursements on Educational buildings have been provided for in the Local Fund Estimate which will shortly be submitted to the Government of India.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd. J. Tulloch.

Budget and Finance
Department.

For Saint George,
Dy. Aud.r & Accountant Gen.l's Office,
11th February 1864.

No. 377.

From,

J. L. Lushington Esqre.,
Ag. Dy. Aud.r & Accountant General.

To,

A. J. Arbuthnot Esqre.,
Chief Secretary to Government.

Sir,

With reference to the Financial Resolution of the Government of India No. 4095 dated the 27th August last, I have the honor to forward herewith, for transmission to them, an Estimate of the expected Receipts, and Disbursements in 1864-65 on account of the Educational Building Fund with a request that the necessary additions may be made in the Budget Estimates forwarded from this office on the 16th and 23rd Ultimo, at which time this office was not in possession of the required information.

I have the honor to be,
Sir,
Your Obedient Servant.

J. L. Lushington
Ag. Dy. Aud.r & Accountt Genl.

Compd. Chandhoorkar

Financial Department.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following papers

Res again
Proceedings of Govt, Fin. Deptt, dated 27 Aug 63, N° 4095, & records in Pro: 3d October 1863. No 641.

From the Ag. Dy. Auditor & Accountt. General. " " 11th Feby 1864. No 377.

Order thereon, 5th March 1864, No 155

In their Resolution of the 27 August last. No 4095, the Govt of India directed the abolition of the Educational Building Fund in this Presidency, and the cancelmrnt of the Non-transferable Treasury Note for Rs 1,00,000, from the interest on which the expenditure on Educational buildings in this Presidency has been hitherto provided.

2. The Governor in Council resolves to bring to the notice of His Excellency the

Pro: 3d October 1863. 34

Read 11th Feby 1864, Reply &c

No 155

Chief Secretary to Govt

Dated 12th February 1864

Received 13th February 1864

Examined,

Accountant, &c.

Examined & Copied

The Government of India in an Extract Letter dated 27th August last No 4095 directed the abolition of the Educational Building Fund in this Presidency, and the cancelment of the Non-transferable Treasury Note for Rs 1,00,000, from the interest on which the expenditure on Educational buildings in this Presidency has been hitherto provided.

2nd The Governor in Council resolves to bring to the notice of His Excellency the

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C. & Inward

the Governor General in Council the following circumstances which, in his opinion, render it unadvisable that the above orders should be carried out.

3. In 1843 and the three following years the Madras Govt. were engaged in a correspondence with the Supreme Govt. regarding the measures to be adopted for disconnecting itself from the management of the Native religious institutions of the Country. Among other questions which had to be determined, was the course to be taken with reference to the funds in deposit in the Govt. treasuries to the credit of Religious Institutions, the management of which had been transferred to Native administrators, and of which there was a surplus amounting to Rs 19,39,468-7-3

4. In Mr Bushby's letter of the 20th September 1845, the Govt. of India directed that this surplus, which had accrued from an excess in the endowments above what was needed for keeping the temples, &c., in repair and for the due performance of the services and duties intended by the founder, "should be held at the absolute disposal of the State, "and should be regarded as "a fund to be devoted to the "public benefit in works of "general utility; preference "being given, as to the locality "where the surplus was to "be expended, to the neighbour"hood from which it was "derived; and the education "of the people being held "forth as the most legitimate "object to which it should "be applied." The Madras Govt.

Govt accordingly directed, in their Orders of the 11th July 1846, that of the entire sum, Rs. 800,000 "should be "transferred by the Accountant "General to the General Edu- "cation Fund of the Presidency, "for the purposes of Education in the Provinces". At that time, the Educational expen- -diture of the Govt was provided for by an annual grant of Rs. 50,000 sanc- -tioned in 1828; and when the Education Despatch of 1854 was issued, the unexpended balance of the annual grant in question and of the Rs. 800,000 of the surplus Pagoda Funds which had been added to it, amounted to more than Rs. 1,900,000.

5. In a Despatch under date the 30th August 1854, the late Court of Directors directed that the expense of the University and College buildings at Madras should

should be defrayed out of the accumulations standing to the credit of Education, and that the cost of any other buildings for the purposes of Education, which might be erected at the public expense, should be adjusted in the same manner. The Accountant General was accordingly directed under date the 18th Decr 1855 to place the accumulations in question, as they stood at the date of the Court's Despatch, to a separate head in his accounts, for the construction of Educa- -tional buildings, and to debit them with all ex- -penditure on that behalf that had been incurred since the date of the Court's orders or might be incurred hereafter, submitting yearly accounts for the information of Govt. On

the

the 30 April 1855, the fund thus created amounted to Rs. 1060615-11-9; and in the following year, at the suggestion of the late Director of Public Instruction concurred in by the Accountant General, the latter officer was directed to invest Rs. 900000 of the accumulated funds in non-transferable Treasury Notes bearing interest at 4 per cent per annum. Since that time, all charges incurred in the construction of Educational buildings have been debited to that fund. In July 1861, the Secretary of State directed that the unexpended balance of the interest should not be carried on to the credit of the fund from year to year. The balance at the present time is estimated at Rs 110,000, including the amount of the Non-transferable Treasury Note. The

Despatch 2d July 1861. No 3. para 5.

6. The Governor in Council apprehends that the circumstances under which this fund has been formed must have been overlooked by the Govt. of India when they passed the Resolution adverted to at the commencement of this order. He cannot think that it would be advisable to merge the fund thus formed in the general Cash balance of the State, or to take any step which might give color to the supposition that it was the intention of the Govt. to appropriate the balance of the Pagodd funds to any other purpose than those to which in 1846 it was ordered to be applied. It should, he thinks, be treated, as it has been hitherto, as a local fund and separately accounted for in the Public Accounts.

In

In the hope that, under this explanation, the Govt of India will recall their order for the abolition of the fund, the annual charge of Rs 40,000 on account of interest on the non transferable note has been entered under "G. Interest" of the Budget Estimate of charges for 1864/65, and the estimated disbursements on Educational buildings will be provided for in the Local Fund Estimate.

7. The Supplemental Estimates received with the Accountant General's letter above recorded will be returned to that officer, and he will be requested to exhibit the [x] receipts and disbursements from the Educational Building Fund in the Local Fund Budget Estimate for 1864-65 now under

[x] Including the unexpended balance of the Current year.-

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under preparation for transmission to the Govt of India - a reduction being [+]

Ordered that the following letter be dispatched

[+] made in the estimated disbursements under the head of "grants in aid" to bring the charges to the level of the receipts.

To the Secy to the Govt. of India, Financial Deptt

To the Ag. Dy. Auditor and Accountant General. with 3 Estimates, returned } desp[h] 8/3.

" Director of Public Instruction desp[h] 12/3.

Financial 1864. Department.

No. 156 of 1864.

PROCEEDINGS of GOVERNMENT.

Fin. Dept. 253 of 1864

Dated 5th March 1864.

Read the letter
noted in the
margin from
the Government
of India in reply to
their order for the
abolition of the Educa-
tional Building Fund
in this Presidency
being considered.

despd 8/3
Per Steamer.

Steamer
To day

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Financial Department.

No. 156.

The Secretary to the Govt of India,
Financial Department.

Sir,

Adverting to the Resolution
of the Government of India
under date the 27th August
last. No 4095, directing the
abolition of the Educational
Building Fund in this Presi-
dency, and ...
of the Non-transferable
Treasury Note for Rs 10,00,000
from the interest on which
the Expenditure on Educational
buildings in this Presidency
has been hitherto provided,
I am directed to bring to
the notice of this Excellency
the Governor General in
Council the following
circumstances which, in
the

the opinion of His Excellency the Governor in Council, render it inadvisable that the above orders should be carried out.

2. In 1843 and the three following years the Madras Government were engaged in a correspondence with the Supreme Government regarding the measures to be adopted for disconnecting itself from the management of the Native religious institutions of the country. Among other questions which had to be determined, was the course to be taken with reference to the funds in deposit in the Government treasuries to the credit of religious institutions, the management of which had been transferred to native administrators, and of

of which there was a surplus amounting to Rs. 19,80,468.-7.-3.-

3. In Mr. Bushby's letter of the 20th September 1845 the Government of India directed that this surplus, which had accrued from an excess in the endowments above what was needed for keeping the temples, &c., in repair and for the due performance of the services and duties intended by the founder, "should be held "at the absolute disposal of "the State, and should be "regarded as a fund to be "devoted to the public benefit "in works of general utility; "preference being given, as "to the locality where the "surplus was to be expended, "to the neighbourhood from

"which

"which it was derived; and
"the Education of the people
"being held forth as the most
"legitimate object to which
"it should it should be
"applied." The Madras
Government accordingly
directed, in their orders of
the 14th July 1846, that of
the entire sum, Rs. 8,00,000
"should be transferred by
"the Accountant General
"to the General Education
"Fund of the Presidency, for
"the purposes of Education
"in the Provinces." At
that time, the Educational
expenditure of this Govern-
ment was provided for
by an annual grant of
Rs. 50,000 sanctioned in
1828; and when the
Education Despatch of 1854
was issued, the unexpended
balance of the annual

grant

grant in question and of the
Rs. 8,00,000 of the surplus
Pagoda Funds which had
been added to it, amounted
to more than Rs. 10,00,000.

4. In a despatch under
date the 30th August 1854,
the late Court of Directors
directed that the expense of
the University and College
buildings at Madras
should be defrayed out of
the accumulations standing
to the credit of Education,
and that the cost of any
other buildings for the
purposes of Education, which
might be erected at the
public expense, should
be adjusted in the same
manner. The Accountant
General was accordingly direc-
ted under date the 18th Dec. 1855
to place the accumulations
in question, as they stood

at

at the date of the Court's Despatch, to a separate head in his accounts, for the Construction of Educational buildings, and to debit them with all expenditure on that behalf that had been incurred since the date of the Court's orders or might be incurred hereafter, submitting yearly accounts for the information of Government. On the 30th April 1855, the fund thus created amounted to Rs. 10,60,615-4-9; and in the following year, at the suggestion of the late Director of Public Instruction concurred in by the Accountant General, the latter officer was directed to invest Rs 10,00,000 of the accumulated funds in non transferable Treasury Notes bearing interest at 4 per cent per annum.

Since that time, all charges

charges incurred in the construction of Educational buildings have been debited to that fund. ~~In 1864 the unexpended balance amounted to Rs. 1,39,216.~~

In July 1864 the Secretary of State directed that the unexpended balance of the interest should not be carried on to the credit of the fund from year to year. The balance at the present time, estimated at Rs. 11,07,700, including the amount of the Non transferable Treasury Note.

Despatch 2d July 1861. No 13 para. 5.

5. The Governor in Council apprehends that the circumstances under which this fund has been formed must have been overlooked by the Government of India when they passed the Resolution adverted to at the commencement of this letter.

letter. We cannot think that it would be advisable to merge the fund thus formed in the General Cash balances of the State, or to take any step which might give color to the supposition that it was the intention of the Government to appropriate the balance of the Pagoda funds to any other purpose than those to which in 1836 it was ordered to be applied. It should, we think, be treated, as it has been hitherto, as a local fund and separately accounted for in the Public accounts. In the hope that, under this explanation, the Government of India will recall their order for the abolition of the fund, the annual charge of Rs.

Rs. 40,000 on account of interest on the Non-transferable Note has been entered under "G. Interest" of the Budget Estimate of charges for 1864/65, and the estimated disbursements on Educational buildings have been provided for in the Local Fund Estimate which will shortly be submitted to the Govt of India.

Fort St. George
5 March 1864.

15 Colvin

Finl. 1864 Departm.

No. 156

To The Secretary to the Govt
of India F.D.

Dated 5th March 1864.

F&P 255 of 64

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