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MADRAS RECORD OFFICE.

Government of Madras.

Agriculture DEPARTMENT.

G.O. No. 272 Press / Mis.

51-54

Dated 20-5- 18 64.

51-54 14/15

Not to be folded or roughly handled

Read the following papers:—

No. 51. Proceedings of Government in the Revenue Department.

Laying down Rules for the guidance of Officers entrusted with the management of the Local Funds of this Presidency. (Dated 4th March 1864, No. 392.)

—

No. 52. Proceedings of Government in the Revenue Department.

Communicating Resolution of Government of India, directing that the receipts of the Jungle Conservancy Fund be dealt with as heretofore on the Local Fund principle. (Dated 9th May 1864, No. 799.)

—

No. 53. *Extract from the Proceedings of the Government of India in the Financial Department, dated 15th April* 1864, No. 2017.

Read again Financial Resolution, dated 18th September last, No. 4559.

RESOLUTION.

The Governor General in Council observes that the 1st Rule prescribed in the above Resolution directs that "an Annual Estimate of the expected receipts and proposed expenditure of "Local Funds should be prepared by the officers charged with their administration in the several "Districts, which estimates, after they have been revised and consolidated by the Local Govern-"ments, will be regarded as the fixed appropriation for these funds during the ensuing year, "subject only to further consideration by the Local Government on any particular point."

2. Again, Rule 4th prescribes that "an Annual Account of the expenditure of the Local "Funds should also be rendered by each Local Government to the Government of India, under "the same heads as the Local Fund Budget Estimate, not later than the period at which the "Annual 'Actual' account of the public expenditure of the preceding year is directed to be "furnished."

3. The Budget Estimates for 1864-65, as prescribed above, have been received; but the way in which these estimates have been framed, leaves no doubt that the instructions of the 18th September last have been but partially understood. The estimates submitted, excepting in one or two cases, do not afford any information in respect of the manner in which the expenditure of the ensuing year is to be appropriated. Lump sums have been set down on this account against each fund; but as from the assets of several funds, expenditure on account of Education, Police, Hospitals and Dispensaries, Construction and Repairs of Works, Charges of Collection and management, &c., is defrayed, and as such assets are in some instances made up of contributions from private individuals, proceeds of endowments either in lands or in cash invested in Government Securities, or Bank Shares, Local Cesses, alienation of certain per centage of Imperial Revenues, &c., the Governor General in Council desires that the future estimates be prepared in such a way as to afford information on such points.

4. With this view, His Excellency in Council is pleased to direct that the accounts of Actual Receipts and Charges of Local Funds during the current year which, under Rule 4th cited above, are to be furnished to this Government, be prepared according to the Form A hereto annexed. The Form B should be observed in the preparation of estimates only.

5. The *pro forma* examples given in the Form B will, it is hoped, explain fully what is wanted by this Government.

6. It is not intended that the estimates and accounts of Local Funds should contain details for each District of a Presidency or Province; consolidated Returns for the entire Presidency or Province will answer the requirements of this Government, with necessary notes of the deficiencies, actual or estimated, in the assets of each fund in particular Districts, where they may occur, and of the manner in which such deficiencies will be made good. These notes are required to avoid misunderstanding that all the funds of all the Districts in a Presidency or Province are solvent; which inference must inevitably be drawn from the balance which will appear at the credit of each description of fund at the end of a year in the estimates and accounts to be received by the Government of India.

7. The estimates of Port Funds should, however, be treated as an exception to the above, as by law, accounts of each Port Fund are required to be published. The estimates and accounts of these should, therefore, be exhibited under each Port.

8. Care should be taken that the opening and closing balances of each fund are exhibited in the future estimates and accounts, as the want of such information in some of the estimates submitted for 1864-65 has been greatly felt.

9. The estimates and accounts of Local Funds should be prepared by the several Local Accountants, and submitted by them to this Government through the Local Governments and Administrations. This course will not interfere with the Appropriation Audit of Local Fund expenditure by officers other than the Deputy Auditors and Accountants General, should the Local Governments and Administrations deem it necessary to entrust that duty to them, as has been the case in Madras, where the Board of Revenue has been appointed Auditor of Local Fund expenditure.

10. As from the enclosures of a letter received from the Government of Madras, No. 410, dated 9th March last, it appears that there is some misunderstanding as to the Department of the Government of India to which the estimates and accounts of Local Funds prescribed in the Financial Resolution, of 18th September last, are to be rendered; the Governor General in Council is pleased to direct that such estimates and accounts are to be submitted to the Financial Department; while detailed estimates of construction and repairs of works are to be submitted to the Public Works Department of the Government of India in the form prescribed by that Department.

Ordered that a copy of the above Resolution, and of the Forms A & B be sent to the several Governments and Administrations, the Accountant General to the Government of India, and the several Deputy Auditors and Accountants General.

(A true Extract.)

(Signed) T. PEACHEY,
Prinl. Asst. Secy. to the Govt. of India.

A.

Account of Receipts and Charges of Local Funds in the Presidency of *during* 186 -6.

Names of Funds.	Balance on 1st May 186 .	Receipts.						Grand Total.	Names of Funds.	Charges.						Balance on 30th April 186 .
		Local Cesses.	Interest on Government Securities, &c. &c.	Contributions from Government.	Collections from Lands, Houses, &c.	Total.				Collection and Management.	Public Works.	Police.	Education.	Hospitals and Dispensaries.	Total.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		Rs.		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Total....									Total....							

NOTE A.—The receipts of Ferry and Toll Funds and others of a like description, should be shown in the column "Total" as the names indicate the sources of income.
B.—The columns given above may be increased, to exhibit other classes of Receipts and Charges than those specified, but in no case should they be reduced and their designations altered.
C.—Each Fund should be shown distinctly.

B.

Estimate of Receipts and Charges of Local Funds in the Presidency of *during* 1865-66.

	Municipal Funds.			Toll Fund.			Local Agency Fund.			Indore Agency Bazar Fund.			And so on.
	Actuals.	Estimates.		Actuals.	Estimates.		Actuals.	Estimates.		Actuals.	Estimates.		
RECEIPTS.	1863-64.	1864-65.	1865-66.	1863-64.	1864-65.	1865-66.	1863-64.	1864-65.	1865-66.	1863-64.	1864-65.	1865-66.	
Estimated balance on 1st May.....	3762	3900	5000	700	800	300	1000	3000	4000	30,000	2000	3000	
Receipts. Local Cesses	30,000	39,000	48,000	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Interest on Government Securities, &c.	100	340	500	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Contributions from Government... ...	.....	.....	.....	.....	.....	.....	4000	5000	3000	4,22,000	3,91,000	5,62,000	
Collections from Lands, Houses, &c.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	
And so on. Total...	30,100	39,340	48,500	8000	9000	5000	4000	5000	3000	4,22,000	3,91,000	5,62,000	
Grand Total, Rupees...	33,862	43,240	53,500	8700	9300	5300	5000	8000	7000	4,52,000	3,93,000	5,65,000	
CHARGES.													
Collection and management.....	2000	3000	3000	400	300	300	.....	.....	.....	5000	5000	5000	
Public Works.....	25,000	26,000	26,000	7500	9200	4000	500	2000	2000	3,00,000	2,35,000	2,50,000	
Police.....	1000	5000	5000	.....	.....	.....	.....	.....	.....	.....	.....	.....	
Education...	762	1240	1384	.....	.....	.....	1500	1500	1500	50,000	50,000	70,000	
Hospitals and Dispensaries.....	1200	3000	4000	.....	.....	.....	.....	500	800	95,000	1,00,000	1,08,000	
And so on. Total...	29,962	38,240	39,384	7900	9500	4300	2000	4000	4300	4,50,000	3,90,000	4,33,000	
Estimated balance on 30th April.....	3900	5000	14,116	800	300	1000	3000	4000	2700	2000	3000	1,32,000	
Grand Total, Rupees...	33,862	43,240	53,500	8700	9800	5300	5000	8000	7000	4,52,000	3,93,000	5,65,000	

No. 54. ORDER THEREON, 20th May 1864, No. 272.

Ordered that a copy of the foregoing Resolution of the Government of India and of the Forms A and B which accompanied it, be furnished to the under-mentioned Departments for information and guidance. A copy has been sent direct to the Deputy Auditor and Accountant General, who will act on the instructions therein laid down in regard to the manner in which future Budget Estimates of Local Funds should be prepared. In the Revenue Department Rules have been framed for the administration of certain Funds, and the Board of Revenue has been appointed to audit the expenditure. As regards these Funds no orders are now requisite. It rests with the other Departments to frame similar rules if deemed necessary, and to entrust the duty of audit to some Superintending officer. Until this is done, the accounts of these Funds will, as directed in paragraph 4 of the Order of Government, dated 15th October last, No. 667, be reviewed by the Deputy Auditor and Accountant General, so far as may be necessary to see that the authorized Budget appropriations have not been exceeded; that the balances have been duly brought forward; and that there is every reason to believe that the local detailed audit has been properly made.

Revenue Department.
Public Works do.
Educational do.
Public do.
Marine do.
Military do.

(True Extract.)

Chief Secretary.

To the Revenue Department.
" Public Works do.
" Educational do.
" Public do.
" Marine do.
" Military do.
" Deputy Auditor and Accountant General.

Exd. J. Tulloch.

Proceedings of the Madras Government, Revenue Department, 4th March 1864.

No. 58. *Dated 4th March* 1864, *No.* 392.

1. The increasing importance of the Local Funds of this Presidency renders it necessary that rules should be laid down for the guidance of the Officers entrusted with their management, the original rules of 1856 being in many respects inapplicable to the present state of affairs, and considerable misapprehension existing on the subject.

2. The Government of India require that an annual Estimate of the receipts and expenditure of these funds should be submitted to them; and, in requiring this, they have declared that their object was "NOT *to exercise any interference with the expenditure of funds which were entirely at the disposal of the Local Government*, but merely that the Government of India should be kept informed of the outlay, for financial purposes, and of the nature of the projects in reference to their effect upon the wants of the country which remain to be met from Imperial Funds."

3. This express abnegation of all desire or intention of interfering renders it the more incumbent on the Government themselves to adopt measures which shall bring the administration of these funds under their own effective control; and justice to the people who contribute these funds requires that every precaution should be taken to ensure their application to the best advantage and with the utmost economy.

4. But in attaining these objects care must be taken to leave the local Officers a proper degree of freedom of action, and prevent the intervention of Government from becoming obstructive or harassing.

5. The observance of the principle of the Budget system cannot fail to be attended with beneficial effects. It will certainly be most conducive to the judicious and economical application of these funds to require the Officers entrusted with them to consider carefully beforehand what projects deserve priority of execution, and to work on a well devised, settled plan of operations, instead of in a hasty, ill-considered or desultory manner. The existing rules, in fact, are based on the Budget principle, but there has been great laxity in the observance of the rules; reports of the operations of each year are delayed till they are practically almost useless, programmes of the operations of future years are either not submitted or are carelessly observed, large balances are kept unemployed, and money is spent on works beyond the legitimate scope of the fund.

6. Not a little of the confusion attending the subject has arisen from the funds being indiscriminately styled "Local Funds." The term is generic and includes every fund of *Local* as distinguished from *Imperial* origin, but the various funds which collectively make up the "Local Fund" of a Presidency differ greatly in their nature and objects, and cannot be brought under the operation of the same rules or the control of the same Department.

7. The first step is to classify the different funds of the Presidency, and this done, to lay down distinct rules for each, keeping in view the general requirements of the Supreme Government for Imperial purposes.

8. The Accountant General states that the principal Local Funds are,

I.—District Conservancy Fund.	VI.—Stamping Fee Fund.
II.—Jungle do.	VII.—Police Lodging do.
III.—Pound do.	VIII.—Emigration Fee do.
IV.—School Fee do.	IX.—Pier do.
V.—Port do.	X.—Income Tax do.

To this list under recent orders of the Supreme Government must be added the "Public Bungalow Fund."

9. The first of the funds mentioned by the Accountant General is in fact the original Road Fund, and will be so designated in future, the term being more definite and expressive of the real objects of the fund than the designation "Conservancy Fund."

10. The sources of income are,

I.—The Road Cess of 1 Anna per Cawny in South Arcot and 2 per cent. on the assessment elsewhere.

II.—Ferry Rents and Tolls.

III.—Tolls on roads and bridges.

IV.—Surplus Cattle Pound Fines.

V.—Sundry petty items including avenue clippings.

11. The following abstract taken from the Local Fund Report shows the income of th Road Fund in 1861-62 excluding balances on hand:—

	Rs.
Road cess...	1,02,140
Ferry Rents and Tolls	69,020
Surplus Cattle Pound Fines	25,558
Cart Tax	5,550
Avenue clippings	6,736
Grass rents...	3,376
Rent of reeds	301
Manure rents	355
Surplus proceeds of Anicut plantation in Tanjore.	866
Local subscriptions for special work	825
Recoveries	8,078
	2,22,805

12 The management of the Road Fund was by the old rules vested jointly in the Collector and District Engineer. In the recent re-organization of the Department Public Works, the office of District Engineer has been abolished, and as Superintending Engineers, having charge of at least two Districts, cannot have the same minute local knowledge as the District Engineers, and must often be at a considerable distance from the Collector of one or other of the Districts, included in their ranges, it is necessary that the initiative should be decidedly thrown on the Collector. The works which are executed from the fund are minor cross roads, and there is far less need of professional ability than of knowledge of the wants of the people, and the requirements of traffic. Practically in fact the initiative in all District improvements rests chiefly with the Collector, and in the case of Salt roads Government have expressly thrown the responsibility on him. This course will now be followed in regard to Local Funds, but it will still be the duty of the Engineer Officers to bring to the Collector's notice such works as they consider necessary or desirable.

13. The execution of all works rests by the old rules with the Engineer Department, and no change will be made in this respect. These rules, however, admitted of works being executed by other agency, when the Collector and Engineer concurred in considering this course desirable. In this respect also no change is necessary.

14. Thus the responsibility of selecting works and making the most of the Local Fund will fall on the Collector, the responsibility of executing them properly and economically, on the Engineer.

15. The next point for consideration is the audit of the accounts.

16. Under the old rules the audit was conducted in the Chief Engineer's Office. Certified accounts of expenditure were furnished by the Executive Officer to the Collector, and an annual Statement of the total expenditure prepared by the Collector, countersigned by the Civil Engineer, and accompanied by the bills and accounts of each work, was forwarded to the Chief Engineer for the purpose. When the Chief Engineer's Office was abolished the audit of the Local Fund Accounts passed with that of the Public Works Accounts to the Controller.

17. In their Resolution of the 18th September last, the Supreme Government express themselves as follows on this point:—

"Except when otherwise directed, the detailed audit of the expenditure should be conducted monthly by the Commissioner, or other Superintending local Officer. He should see that the expenditure has been in accordance with duly sanctioned Estimates or other adequate authority; that the sanctioned amounts have not been exceeded, and that the funds have not been misapplied. When the expenditure is for Public Works, it should be supported by Certificates, signed by the Officers executively responsible, showing the payments made, the parties paid, and the work done. When the cost of a work is charged piece-meal in more than one monthly bill, the total cost up to date should be noted in each bill until completion, so that the Superintending Officer may be in a position to ascertain that the sanctioned Estimates have not been exceeded. The countersignature of the Superintending Local Officer to the monthly bill will clear the amount in the monthly accounts, and his audit should be as speedy and complete as possible.

"When works are executed by the Public Works Department out of Local Funds, the audit of that Department will be accepted in reference to the expenditure.

"According to this arrangement, the Local Committee, or the Magistrate, or other local Officer, will order the payments, and the Commissioner, or other Superintending Local Officer, will audit them."

18. In this Presidency the Collector is the Officer who orders the payments, and the Board of Revenue occupy the position of the Commissioners of Bengal.

19. But the only audit which is really effective is audit by an Officer possessing professional knowledge of the subject he deals with and personal acquaintance with local circumstances. The Superintending Engineer possesses these qualifications, and in his frequent tours will have opportunities of seeing how the works have been executed. The Government resolve therefore to entrust the detailed local audit to the Superintending Engineer.

20. It will still be necessary, however, that some central authority should "perform the same duties in reference to the Local Fund Accounts as the Auditor General performs for the Public accounts of the whole of India." The Government of India have offered the services of the Deputy Auditor and Accountant General, and Government in G. O., 15th Feb. 1863, No. 657, Financial Department accepted this arrangement. Further consideration, however, leads the Government to conclude that this is not the best plan.

Resolution of Supreme Government, dated 18th September last.

21. The Accountant General frequently is an Officer of another Presidency, possessing no acquaintance with Madras, and of necessity having no professional knowledge of the subject with which he deals. The work to be done is defined by the Supreme Government as a review of the Accounts "so far as may be necessary to see that the authorized Budget appropriations have not been exceeded, that the balances have been duly brought forward, and that there is every reason to believe that the local detailed audit has been properly made."

Resolution of Supreme Government, 18th September 1863.

22. The Board of Revenue can do all this a great deal better than the Accountant General. It is true that, like him, they are not Engineers, but they have extensive experience of the country and acquaintance with the local Officers; their ordinary work brings before them the wants of each District; the Local Budgets pass through their hands; they review the operations of each year; they have a well organized Account Department, and they already perform a deal of auditing work. The final audit will therefore be entrusted to the Board of Revenue.

23. On the system above sketched:—

I.—The Collector will be answerable for the proper outlay of the Fund.

II.—The Engineer Department will be answerable for the proper execution of its work.

III.—The Superintending Engineer will locally audit the accounts, and aid the Collector generally.

IV.—The Board of Revenue will supervise the proceedings of the local Officers.

24. Each section of duty is entrusted to the person best qualified to perform it satisfactorily and the responsibility of each is clear.

25. It is necessary that there should be a certain appropriation in each District to meet the rateable share of the Public Works Establishment. The Government of India have hitherto distributed the cost of the Public Works Department equally over all the Funds, Local and Imperial. The sum thus assessed in 1863-64, is Rupees 1,50,000 on an estimated Local

Fund expenditure of Rupees 8,00,000 or 18¾ per cent. Local Fund works are of the most simple character, and it is unfair to charge them in the same proportion as Anicuts, &c., requiring high engineering skill. Moreover, the cost of the Public Works Department is enhanced by considerations in which the Local Fund is not interested, viz., the maintenance of a Corps of Military Engineers. The Governor in Council considers that a charge of 10 per cent. on the estimated expenditure is quite as much as circumstances justify, at least until the actual cost can be ascertained by reference to the amount of superintendence given. A reference on this subject will accordingly be made to the Government of India.

26. The last point for consideration is the mode of transmitting these Budgets to the Supreme Government. This question is raised by the Accountant General in his letter, 4th February 1864, No. 369.

27. The Government consider that the Resolution of the Supreme Government in the Financial Department, dated 18th September last, No. 4,559, indicates the correct course for adoption.

28. The "general term Local Funds" includes several funds for various objects. The Supreme Government wish to be furnished with estimates of receipts and disbursements of all these funds solely that they may be "kept informed of the outlay for financial purposes "and of the nature of the projects in reference to their effect upon the wants of the country "which remain to be met from Imperial Funds." The terms of this Resolution are general, "every "fund for the proper administration of which the local Government is responsible" is to be "included in the Estimate, whether derived from local cesses or from private endowments," and the object of the Estimate is to acquaint the Supreme Government with the effect of these Funds "upon the wants of the country which remain to be met from Imperial Funds" not its wants in one particular branch, viz., the execution of what are termed "Public Works" nor the funds annually devoted from the surplus revenues of each year, but the general wants of the country which have to be met from the national Treasury.

29. This general review of transactions affecting the welfare of the Empire at large, is peculiarly the province of the Supreme Government, and cannot fail to be salutary in its effects when (as the Resolution above quoted expresses it) so conducted as "*not* to exercise any interfer- "ence with the expenditure of funds which are entirely at the disposal of the Local Government."

30. But it is quite clear from the extensive scope of the Resolution, that these Estimates should be submitted by the Local Government to the Supreme Government in the *Financial* Department which deals with the finances of the Empire and regulates the supply of funds wherewith to meet "the wants of the country." The very circumstance of the Resolution issuing from the Financial Department indicates that it is to that Department that the Estimates should be submitted for the purposes stated.

31. So far as Local Funds are concerned the Public Works Department is purely executive. The funds are raised in various ways from the people, and not only is all work executed out of them by the Public Works Department paid for, but a further and a heavy charge is made for superintendence. In fact, therefore, the Department of Public Works is simply employed by these funds to perform certain work for which it is duly and fully paid. All that the Public Works Department of the Supreme Government can require for its legitimate purposes is a list of the works to be performed with an Estimate of their cost and an assurance that the whole proposed expenditure is available from the Local Fund which requires the work done. The Public Works Department could not deal satisfactorily with the Budgets of revenue, and clearly has nothing to do with them. It might as well call for the Estimates of every branch of the public service, for it does work for all, and derives its funds from them. Barracks are built by it for the Army, but the Army Estimates are not submitted to it. Irrigation works, Schools and Jails are all constructed by it, but the Estimates of those Departments do not come under its cognizance. It is in fact simply "executive," subsisting from year to year on the grants annually made to it, and having no other functions than the economical and advantageous employment of those grants. The Financial Department of the Supreme Government, on the other hand, is

the one that can turn to use the information which these Budgets contain, it can watch the progress of the Local Funds, can take care that Imperial Funds are not improperly appropriated as Local, and note "their effect upon the wants of the country which remain to be met from "Imperial Funds." Further, to send all the Local Fund Budgets to the Department of Public Works involves the anomaly of sending it matter with which it cannot deal, while to send it some only will deprive the Government of India of a comprehensive view of these funds. The Government, therefore, consider the proper course and indeed that indicated by the Supreme Government is to send all the Local Funds to the Financial Department, leaving it to deal with each as may be most convenient.

32. These orders do not refer to the Income Tax grant, which is only local in one respect, viz., that the balances do not lapse at the close of each year, is of temporary duration, and will therefore remain, as it is, entirely under the Department of Public Works.

33. The "Jungle Conservancy Fund" is still in its infancy. It is derived from fees levied on wood cut in petty jungles not under conservancy, and is devoted to the preservation and extension of such jungles.

34. The fund will continue, as it is, under the control of the Collectors and the Board of Revenue. The Budget system will be applied to this fund also, and all receipts and charges shown without deduction in the accounts. The rules will necessarily be much more simple than in the case of the Road Fund.

35. The Bungalow Fund is scarcely in existence, and a reference has lately been made to the Supreme Government on the necessity of supplementing the receipts from travellers by grants from Imperial Funds. Public Bungalows are under Collectors and the Board, and will so continue, all repairs, &c., being as a rule performed by the Department Public Works.

36. The "Stamping Fee" Fund is too trifling to need rules. A small fee is charged in a few Districts for stamping Weights and Measures, and the proceeds more than cover all expenses. The same remark applies to the Madura Town Fund. These petty funds can be dealt with on the general principle that all receipts and charges are to be shown without deduction and the expenditure kept within the income. Specification of details is unnecessary in the Budgets, but will be given in the annual report of operations.

37. The other funds mentioned in paragraph 8 will be separately dealt with in the Public Department.

38. The Board of Revenue will circulate to Collectors the Rules *A. B.* and *C.* appended to these orders for their future guidance.

(True Extract.)

Secretary to Government.

To the Board of Revenue.
" Accountant General.
" Department Public Works.
" Financial Department.
" Public do.

Exd. S. T. Augustin.

Le Copiste sent

A.

RULES

FOR THE ADMINISTRATION

OF THE

DISTRICT ROAD FUND.

I. The Collector of each District shall in November of each year submit to the Board of Revenue a Budget Estimate of receipts for the ensuing official year.

II. The Budget of receipts will show the balances expected to remain unexpended at the end of the current official year, and all sums expected to be received within the following twelve months *without deduction* :—

III. Each distinct source of income will be separately shown in the Budget under the Board's instructions.

IV. Simultaneously with his Budget Estimate of receipts each Collector will submit to the Board of Revenue a Budget Estimate of expenditure for the ensuing year.

V. The Budget will show the proposed expenditure of the year under the following heads :—

I.—New works.
II.—Repairs.
III.—Establishments.
IV.—Stores.

VI. The Board of Revenue will compile a Budget of receipts and expenditure for the whole Presidency from the District Budgets, and submit the same by the 15th December with their remarks and such modifications as they deem expedient for the sanction of Government in the Revenue Department.

VII. The selection of works shall be the duty of the Collector, and he shall be responsible for the same.

VIII. The Collector shall furnish the Superintending Engineer with lists of the works selected, (for which Plans and Estimates are required) as early as possible and not later than in September of the current year so as to enable the Superintending Engineer to make timely arrangements for the preparation of Plans and Estimates where necessary, and for the due execution of the works.

IX. It shall be the duty of the Superintending Engineer to advise the Collector professionally in regard to any work projected by him. It shall also be the duty of the Superintending Engineer to suggest to the Collector the execution of any works that he may himself consider desirable and to afford that Officer general assistance.

X. Where the Superintending Engineer objects to any work on professional grounds the work shall not be proceeded with, unless specially ordered by Government, to whom a reference accompanied by the written opinion of the Superintending Engineer shall be made by the Collector if he desires to carry out the work.

XI. All Estimates and Plans shall be prepared by the Engineer Department under the orders of the Superintending Engineer, to whom the Collector shall apply in writing.

XII. In the case of ordinary repairs and works of emergency when the Superintending Engineer is absent, the Collector may apply direct to the local Executive Officer, informing the Superintending Engineer of the same.

XIII. No new works likely to cost more than Rupees 2,000 shall be commenced until Government have sanctioned the Plans and Estimate, which shall be forwarded for the purpose by the Collector through the Board of Revenue as soon as furnished by the Superintending Engineer.

Proceedings of the Madras Government, Revenue Department,
4th March 1864.

XIV. New works likely to cost less than 2,000 Rupees and repairs to existing works may be commenced on the Budget sanction unless objected to by the Superintending Engineer under Rule X.

XV. Every work estimated to cost more than Rupees 250, whether a new work or repair, shall be separately entered in the Budget. Works estimated to cost less than Rupees 250 will be entered without further specification than

"Petty New works."
"Petty Repairs."

XVI. The execution of all work shall, as a rule, be conducted by the Department Public Works, and the Superintending Engineer shall make timely arrangements for the purpose, intimating the same to the Collector and advising him of the advances or payments necessary.

XVII. The Collector with the concurrence of the Superintending Engineer may himself undertake the execution of repairs and ordinary works, not requiring professional skill, or may entrust the same to any of his subordinate or to the community interested in the work.

XVIII. In the case of work entrusted to the Engineer Department or executed under Rule 17, the Collector shall from time to time make such advances as may be necessary within the Budget allotment.

XIX. The Executive Officer to whom work is entrusted shall forward monthly bills for work done to the Superintending Engineer, by whom they shall be audited and forwarded to the Collector for transmission to the Board of Revenue with his Account Current.

XX. Bills for work done under Rule 17 shall be forwarded by the Collector to the Superintending Engineer for audit, after which they shall be returned by the Superintending Engineer to the Collector.

XXI. The completion of all works with their total cost shall be reported to the Collector by the Officer entrusted with their execution.

XXII. The Collector and Superintending Engineer shall jointly determine the permanent Establishment (if any) required to be maintained in addition to the regular Public Works Establishment specially on account of the Local Fund. The salary of each servant shall be duly entered in the Budget, with explanation of the necessity of the charge. Petty Maistries and other similar servants do not come within the scope of this rule and will be charged in the estimates of the works on which they are employed, as in the Department Public Works.

XXIII. An appropriation of 10 per cent. on the estimated expenditure of the year shall be made in one sum, as the share payable by the Local Fund to the Public Works Department for the supervision and assistance of the Public Works Establishment.

XXIV. The control of all executive servants employed under Rule 22, their entertainment and dismissal shall rest with the Superintending Engineer. But servants employed as Accountants or Clerks under the Collector or on works executed under Rule 17 shall be entertained, punished or dismissed solely by the Collector.

XXV. Ten per cent. of the estimated income of each year shall be reserved as a fund for emergent repairs and unforeseen improvements, and may be expended on such works by the Collector with the concurrence of the Superintending Engineer, or in the absence of the latter, when avoidance of delay is important, on his own responsibility, without the previous sanction of Government. Such expenditure shall be reported to the Board of Revenue at the end of each month with the necessary explanation.

XXVI. The Board of Revenue may sanction the transfer of funds from one sanctioned project to another, but without such sanction the Budget allotment must be adhered to.

XXVII. An account of the total receipts and expenditure of the year of the cost of Establishments, &c., shall be prepared by the Collector and forwarded with the audited bills referred to in Rules 19 and 20 to the Board of Revenue, for final audit immediately after the close of each year.

XXVIII. At the close of each official year the Collector shall prepare a full report of the operations of the year, and shall furnish the Superintending Engineer with a copy of the report for his information and for any remarks which he may wish to make on it. The report shall be

accompanied by an Account Current of receipts and charges, provided for in Rule XXVII, and shall be submitted to the Board of Revenue within six weeks of the close of the official year.

XXIX. The Board of Revenue after finally auditing the accounts shall submit to Government in the Revenue Department an annual report on the Road Fund of the Presidency. The report shall be accompanied by the Collector's reports, and Account Current, and any remarks made by the Superintending Engineers, and shall be submitted by the 31st July.

XXX. The Budget Estimates when passed by Government will be forwarded by the Government to the Government of India in the Financial Department, a copy being forwarded to the Accountant General for his information.

XXXI. A copy of the Board's annual Report with the orders of Government thereon will also be forwarded for the information of the Government of India and the Accountant General.

B.

RULES

FOR THE ADMINISTRATION

OF THE

JUNGLE CONSERVANCY FUND.

Rule I. The Collector of each District shall in November of each year submit to the Board of Revenue a Budget Estimate of receipts, for the ensuing official year.

Rule II. The Budget of Receipts will show the balances expected to remain unexpended at the end of the current official year and all sums expected to be received within the following twelve months *without deductions.*

Rule III. Each distinct source of income will be separately shown in the Budget, under the Board's instructions.

Rule IV. Simultaneously with the Budget Estimate of receipts each Collector will submit to the Board of Revenue a Budget Estimate of expenditure for the ensuing year.

Rule V. The Budget will show the proposed expenditure under the following general heads:—

I.—Formation of fresh plantations and nurseries.

II.—Improvement and maintenance of existing do.

III.—Establishment.

The Talook, Village, or Jungle being specified in each case, and such information given as will enable the Board and Government to decide on the proposed expenditure.

VI. The Board of Revenue will compile a Budget of receipts and expenditure for the whole Presidency from the District Budgets, and submit the same by the 15th December with their remarks and such modifications as they deem expedient for the sanction of Government in the Revenue Department.

Rule VII. The sanction of the Budget by Government will be sufficient authority for proceeding with any of the projects therein entered.

Rule VIII. The Board of Revenue may sanction the transfer of funds from one sanctioned project to another, but without such sanction the Budget allotment must be adhered to.

Rule IX. It shall not be competent to the Collector to entertain any permanent servants without the previous sanction of Government, nor any temporary servants without the previous sanction of the Board and due provision in the Budget.

Rule X. The control over all servants, their entertainment and dismissal shall rest with the Collector, but it shall be competent to the Board of Revenue to interfere in any case when they see sufficient cause.

Rule XI. The Collector shall forward to the Board of Revenue, by the 15th May of each year, for audit an account particular of all receipts and charges under the different Budget heads, with the usual vouchers and a report on the operations of the year.

Rule XII. The Board of Revenue shall submit a report to Government in the Revenue Department by the 31st July of each year, on the operations of the year, and shall at the same time forward the Collectors' reports and the audited accounts of the year.

Rule XIII. The Budget Estimate when passed by Government will be forwarded to the Government of India in the Financial Department, and a copy will be furnished to the Accountant General for his information:

Rule XIV. A copy of the Board's Annual Report and with the orders of Government thereon, will also be forwarded for the information of the Government of India and the Accountant General.

C.

RULES

FOR THE ADMINISTRATION

OF THE

BUNGALOW FUND.

Rule I. The Collector of each District shall in November of each year submit to the Board of Revenue a Budget Estimate of receipts for the ensuing official year.

Rule II. The Budget of receipts will show the balances expected to remain unexpended at the end of the current official year, and all sums expected to be received within the following twelve months *without deduction.*

Rule III. Each distinct source of income will be separately shown in the Budget, under the Board's instructions.

Rule IV. Simultaneously with his Budget Estimate of receipts each Collector will submit to the Board of Revenue a Budget Estimate of expenditure for the ensuing year.

Rule V. The Budget will show the proposed expenditure of the year under the following heads:—

I.—Construction of new Bungalows.

II.—Repairs.

III.—Establishment.

IV.—Purchase and repair of furniture, &c.

Rule VI. The Board of Revenue will compile a Budget of receipts and expenditure for the whole Presidency from the District Budgets, and submit the same by the 15th December with their remarks and such modifications as they deem expedient for the sanction of Government in the Revenue Department.

Rule VII. Application for the construction of new Bungalows shall be made to Government, through the Board of Revenue, in sufficient time to admit of Plans and Estimates being prepared and provision made in the Budget, if the application be approved.

Rule VIII. Plans and Estimates for public Bungalows shall be prepared by the Engineer Department under the orders of the Superintending Engineer.

Rule IX. Estimates for repairs shall be made by the Engineer Department under the orders of the Superintending Engineer on the written requisition of the Collector.

Rule X. No new Bungalow shall be constructed until sanctioned by the Government.

Rule XI. For repairs, petty improvements and purchase of furniture, &c., the passing of the Budget shall be sufficient sanction.

Rule XII. All works or purchases exceeding Rupees 100 shall be separately entered in the Budget.

Rule XIII. The execution of all work shall, as a rule, be conducted by the Department of Public Works, and the Superintending Engineer shall make timely arrangements for the purpose, intimating the same to the Collector and advising him of the advances or payments necessary.

Rule XIV. The Collector with the concurrence of the Superintending Engineer may undertake ordinary repairs and improvements, or may entrust them to any of his Subordinates.

Rule XV. The Collector shall arrange, with the Board's sanction, for the purchase of furniture.

Rule XVI. In the case of work entrusted to the Engineer Department or executed under Rule 14, the Collector shall from time to time make such advances as may be necessary within the Budget allotment.

Rule XVII. The Executive Officer to whom work is entrusted shall forward monthly bills for work done to the Superintending Engineer, by whom they shall be audited and forwarded to the Collector for transmission to the Board with his Account Current.

Rule XVIII. Bills for work done under Rule 14 shall be forwarded by the Collector to the Superintending Engineer for audit, after which they shall be returned by the Superintending Engineer to the Collector.

Rule XIX. The completion of all works with their total cost shall be reported to the Collector by the Officer entrusted with their execution.

Rule XX. It shall not be competent to the Collector to entertain any permanent servants without the previous sanction of Government, nor any temporary servants without the previous sanction of the Board and due provision in the Budget.

Rule XXI. The control over all servants, their entertainment and dismissal shall rest with the Collector, but it shall be competent to the Board of Revenue to interfere in any case when they see sufficient cause.

Rule XXII. The Board may sanction the transfer of funds from one sanctioned purpose to another (except in regard to new Bungalows), but without such sanction the Budget allotment must be adhered to.

Rule XXIII. The Collector shall forward to the Board of Revenue by the 15th May of each year for audit an account particular of all receipts and charges under the different Budget heads with the usual vouchers and a report on the operations of the year.

Rule XXIV. The Board of Revenue shall submit a report to Government in the Revenue Department by the 31st July of each year, on the operations of the year, and shall at the same time forward the Collectors' reports and the audited accounts of the year.

Rule XXV. The Budget Estimate when passed by Government will be forwarded to the Government of India in the Financial Department, and a copy will be furnished to the Accountant General for his information.

Rule XXVI. A copy of the Board's Annual Report with the orders of Government thereon will also be forwarded for the information of the Government of India and the Accountant General.

Proceedings of the Madras Government, Revenue Department,
9th May 1864.

No. 98. Read the following letter from THOMAS PEACHEY, Esq., Principal Assistant Secretary to the Government of India, to J. D. SIM, Esq., Secretary to the Government of Fort Saint George, dated Fort William, the 14th April 1864, No. 1,977 :—

SIR,

1. In acknowledging the receipt of your letter No. 410, dated 9th March last, I am directed to inform you that in consideration of the reasons urged by the Madras Government, the Governor General in Council has been pleased to direct that the receipts connected with the Jungle Conservancy Fund be dealt with as heretofore on the Local Fund principle, and that the Order of the 22nd February last, No. 992, be cancelled so far as it relates to this point.

2. The alleged over-charge to Local Funds on account of the assistance in repairs, &c., afforded by the Department of Public Works will be referred to the Public Works Department for consideration and orders.

Copy sent to the Auditor General of India.
" the Deputy Auditor and Accountant General, Madras.
" the Civil Paymaster, Madras.

No. 99. ORDER THEREON, 9th May 1864, No. 799.

Ordered to be communicated to the Board of Revenue, Acting Conservator of Forests and to the Acting Accountant General for their information.

(True Extract.)

Deputy Secretary to Government.

To the Board of Revenue, with Order No. 506.
" the Acting Accountant General.
" the Acting Conservator of Forests, with Order No. 506.
" Financial Department.
" Civil Paymaster.

Exd. S. T. Augustin.

No. 2017.

EXTRACT from the Proceedings of the Government of India, in the Financial Department, d. 15th April 1864.

Read again Financial Resolution, dated 18th September last, No. 4559.

RESOLUTION.

The Governor General in Council observes that the 1st Rule prescribed in the above Resolution directs that "an Annual Estimate of the expected "Receipts and proposed Expenditure of Local Funds should be prepared "by the Officers charged with their administration in the several Districts, "which Estimates, after they have been revised and consolidated by the Local "Governments, will be regarded as the fixed appropriation for these Funds "during the ensuing year, subject only to further consideration by the Local "Government on any particular point."

2. Again, Rule 4th prescribes that "an Annual Account of the Expendi-"ture of the Local Funds should also be rendered by each Local Government to "the Government of India, under the same heads as the Local Fund Budget "Estimate, not later than the period at which the Annual 'Actual' Account "of the Public Expenditure of the preceding year is directed to be furnished."

3. The Budget Estimates for 1864-65, as prescribed above, have been received; but the way in which these Estimates have been framed, leaves no doubt that the instructions of the 18th September last have been but partially understood. The Estimates submitted, excepting in one or two cases, do not afford any information in respect of the manner in which the expenditure of the ensuing year is to be appropriated. Lump sums have been set down on this account against each Fund; but as from the assets of several Funds, expenditure on account of Education, Police, Hospitals and Dispensaries, Construction and Repairs of Works, Charges of Collection and management, &c., is defrayed, and as such assets are in some instances made up of contributions from private individuals, proceeds of endowments either in lands or in cash invested in Government Securities or Bank Shares, Local Cesses, alienation of certain percentage of Imperial Revenues, &c., the Governor General in Council desires that the future Estimates be prepared in such a way as to afford information on such points.

4. With this view, His Excellency in Council is pleased to direct that the Accounts of Actual Receipts and Charges of Local Funds during the current year which, under Rule 4th cited above, are to be furnished to this Government, be prepared according to the Form A. hereto annexed. The Form B. should be observed in the preparation of Estimates only.

5. The proforma examples given in the Form B. will, it is hoped, explain fully what is wanted by this Government.

6. It is not intended that the Estimates and Accounts of Local Funds should contain details for each District of a Presidency or Province; consolidated Returns for the entire Presidency or Province will answer the requirements of this Government, with necessary notes of the deficiencies, actual or estimated, in the Assets of each Fund in particular Districts, where they may occur, and of the manner in which such deficiencies will be made good. These notes are required to avoid misunderstanding that all the Funds of all the Districts in a Presidency or Province are solvent; which inference must inevitably be drawn from the balance which will appear at the credit of each description of Fund at the end of a year in the Estimates and Accounts to be received by the Government of India.

7. The Estimates of Port Funds should, however, be treated as an exception to the above, as by law, Accounts of each Port Fund are required to be published. The Estimates and Accounts of these shou'd, therefore, be exhibited under each Port.

8. Care should be taken that the opening and closing Balances of each Fund are exhibited in the future Estimates and Accounts, as the want of such information in some of the Estimates submitted for 1864-65 has been greatly felt.

9. The Estimates and Accounts of Local Funds should be prepared by the several Local Accountants, and submitted by them to this Government through the Local Governments and Administrations. This course will not interfere with the Appropriation Audit of Local Fund Expenditure by Officers other than the Deputy Auditors and Accountants General, should the Local Governments and Administrations deem it necessary to entrust that duty to them, as has been the case in Madras, where the Board of Revenue has been appointed Auditor of Local Fund Expenditure.

10. As from the enclosures of a letter received from the Government of Madras, No. 410, dated 9th March last, it appears that there is some misunderstanding as to the Department of the Government of India to which the Estimates and Accounts of Local Funds prescribed in the Financial Resolution, of 18th September last, are to be rendered; the Governor General in Council is pleased to direct that such Estimates and Accounts are to be submitted to the Financial Department; while detailed Estimates of Construction and Repairs of Works are to be submitted to the Public Works Department of the Government of India in the form prescribed by that Department.

Ordered, that a copy of the above Resolution, and of the Forms A. & B. be sent to the several Governments and Administrations, the Accountant General to the Government of India, and the several Deputy Auditors and Accountants General.

(A true Extract)

Thomas Pearce

Principal Assistant Secretary to the Government of India.

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Financial Dept. 15 April 1864. No. 2017.

Pro. of the Govt. of India in the Financial Dept. — 15 April 1864 — No. 2017

Pro. of Govt. Revenue Dept. dated 4 March 29 May 1864 No. 392 & 799

Financial Department.

Proceedings of the Madras Government.

Read the following papers:

Orders. 20 May 1864. No. 272.

Ordered that a copy of the foregoing Resolution of the Govt. of India & of the Forms A. & B. which accompanied it, be furnished to the undermentioned Departments for information and guidance. A copy has been sent direct to the Deputy Auditors & Accountant General, who will act on the instructions therein laid down in regard

regard to the manner in which future Budget Estimates of Local Funds should be prepared. And the Revenue Department Rules have been framed for the administration of certain Funds & the Board of Revenue has been appointed to audit the Local Fund expenditure & it will likewise rest with the other Departments to frame similar Rules if deemed necessary, & to entrust the duty of audit to some Superintending Officers. The Local Fund accounts of this Presidency will however, as directed in para 4 of the Order of Government dated 10th October last. No 667, be reviewed by the Deputy Auditor & Accountant General, so far as may be necessary to see that the authorised Budget appropriations have not been exceeded; that the balances have been duly brought forward; & that there is every reason to believe that the local detailed audit has been properly made.

Revenue Department
Public Works —"—
Educational —"—
Public —"—
Marine —"—
Military —"—

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To Revenue Dept. 1
Public Works —"— 1
Educational —"— 2
Public —"— 0
Marine —"— 1
Military —"— 1/8
Sy. Ar. & Accts. General

desp. 28/5

Revised Copies desp. 31/5

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Dated 20th May

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Instructions issued by the Government of India relative to the preparation of the Local Fund Estimates and Accounts.

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