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(2) Date of repair 8-8-39

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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	<u>411</u>	Press
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Dated	<u>2-9-</u>	<u>18 65.</u>

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
2nd September 1865.*

Read the following papers :—

No. 5. Proceedings of Government in the Revenue Department.

Referring, for consideration, the question whether the proceeds of the sale of Public Works should be shewn in the accounts as "Public Works Revenue." (Dated 9th August 1865, No. 1843).

Referred to the Accountant General, for his opinion on the question remarked upon in the foregoing Proceedings.

14th August 1865.

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

No. 6. From Lieutenant Colonel C. H. DICKENS, R. A., Secretary to the Government of India, Public Works Department, to the Secretary to the Government of Madras, Public Works Department; dated Simla, 2nd August 1865, No. 692A.

Account.

With reference to entries, No. 46-7 in the Madras Abstract of Proceedings for May 1865, Civil works, authorizing the net proceeds of the sale of the old Taluq Cutcherry at Coimbatore being appropriated to the construction of a new Cutcherry, I am directed to intimate that the requirements of financial regularity render it essential that all receipts of this nature should be accounted for as Revenue, and all disbursements as expenditure chargeable to the Public Works Budget grant of the year in which they occur, and that the direct appropriation of public income to meet items of charge in the manner authorized by the Government of Madras, which is equivalent to increasing the Budget grant, requires the express sanction of the Government of India.

2. I am therefore to request that the principle now laid down may be strictly carried out for the future, and that in the present instance funds for the construction of the new Cutcherry, which does not seem to be a case necessitating an extra Budget allotment, may be assigned, under the rules in force, by an appropriation of credits from the Public Works grants already sanctioned for Madras for 1865-66.

Referred to the Financial Department, with reference to Revenue Proceedings, No. 1843, dated 9th August 1865.

FORT SAINT GEORGE,
17th August 1865.

(Signed) C. A. ORR, Colonel, R. E.,
Secy. to Govt., P. W. D.

No. 7. Proceedings of Government in the Public Works Department.

Communicating a letter from the Collector of Madura reporting that the sale proceeds (Rupees 1800) of the old Station-house at Dindigal is available, and is in deposit for the new Police Station-house. (Dated 21st August 1865, No. 2420).

No. 8. From F. LUSHINGTON, Esq., Accountant General, to the Honorable A. J. ARBUTHNOT, Chief Secretary to Government, Fort Saint George; dated 28th August 1865, No. 89.

Book and Adjustment Department.

I have the honor to acknowledge the receipt of the Order of Government, dated the 14th instant, referring, for my opinion, the Proceedings of Government in the Revenue Department, of the 9th idem, No. 1843, inquiring, whether, as a rule, the sale of proceeds of public buildings should be credited as *Public Works Revenue*, and, in reply, to state that I am not aware of any specific orders of the Government of India directing the observance of that rule.

2. But the Commissioners, in their report upon the system of the Public Works Accounts, take no exception to the sale proceeds of old buildings being credited to the Public Works Department, although they* allude to it as one of the sources of income of the Department, and, moreover, provision has been made for

* Vide paragraph 147 of the Report recorded in the Proceedings of the Government of India, No. 1380, dated 9th April 1864, Financial Department.

*Proceedings of the Madras Government, Financial Department,
2nd September 1865.*

the exhibition of these realizations on that account, in the form of the estimated Receipts of the Public Works Department, appended to the Order of the Government of India, Public Works Department, dated 11th April 1865, No. 35, printed in the Order of this Government in the same Department, No. 1277, of the 10th May following.

3. And, on the principle that the Department which incurs a charge should receive credit for any receipts which may be realized in connection therewith, I am of opinion that the sale proceeds of buildings should be credited to the Public Works Department, in the same manner as the rents from them are now carried to the credit of that Department. It appears to me, therefore, that in the particular case now under reference, the proceeds of the old Native Palace, which was subsequently converted into a Cutcherry on the assumption of the territory by the British Government, should go to the credit of the Public Works Department, which will have to bear the charge of constructing the new Taluk Cutcherry.

4. Adverting to the remark of Government in paragraph 3 of their Order in the Revenue Department, above quoted, "that the order in the Finance Department is that all such sale proceeds are to be credited to the Debt Account," I beg to observe that I am not acquainted with any order of the Government of India which directs the adoption of the course here indicated. I presume, however, that the Government refer to the Resolution of the Government of India contained in Extract from Proceedings, dated 26th January 1863, which requires that all receipts arising from the sale of waste lands from the enfranchisement of imperfect tenure, or from the commutation of the claim of Government to Land Tax, should be credited in a distinct entry under the head 6 Deposits, as I observe that the said Resolution was, under instructions from Sir Charles Trevelyan, made also applicable to the amounts realized by the sale of houses or other real property, which did or might yield Revenue. But although this order might perhaps, under the views expressed by Sir Charles Trevelyan, apply to Travellers Bungalows, Cutcheries, or other public buildings, sold on freehold, as stated in the proceedings of the Board of Revenue, cannot, in my opinion, be held applicable to the sale proceeds of a building pulled down in the construction of another Cutcherry, and which ought not, I conceive, to be credited under a suspense account for final investment in Government securities, but should be credited directly to Government, and the only appropriate heading under which the amount could be shown, is "Public Works Department."

No. 9. ORDER THEREON, 2nd September 1865, No. 411.

Ordered that the letter from the Accountant General, above recorded, be communicated to the Revenue and Public Works Departments.

(True Extract).

To the Revenue Department.

„ Public Works do.

Exd, J. H. Burns

*Proceedings of the Madras Government, Revenue Department,
9th August 1865.*

No. 136. Read the following letter from Captain J. F. FISCHER, R. E., Controller of Public Works Accounts, to Colonel C. A. ORR, R. E., Secretary to Government, Department Public Works, dated Madras, 24th July 1865, No. 790:—

SIR,

With reference to the Orders of Government in the Revenue Department, communicated in Public Works G. O. No. 2,031, of the 17th July 1865, I have the honor to state, first, that the objection to the appropriation of the net proceeds of the sale of the old Talook Cutcherry to the construction of a new Talook Cutcherry at Coimbatore is governed by the principle laid down by the Secretary to the Government of India, in the Public Works Department, and alluded to in my letter of the 27th June 1865, No. 517, viz., "that the direct application of the proceeds of sales of Government property to cover expenditure is contrary to Financial Rule, and should not be permitted hereafter. All receipts must be credited in full in the public accounts as income without exception, and all charges appear in full without set off;" second, that under Chapter XX., Section 5, paragraph 11, of the new Bengal Code, "sales of buildings" are classed as Public Works Revenue, vide also Form of Estimate of Public Works Imperial Revenue furnished by the

Controller of Public Works Accounts.

Board of Revenue.

Accountant General.

Superintending Engineers.

* Vide Chapter XX., Section 2, paragraph 20, of the new Bengal Code.

Government of India, and communicated to the Departments marginally noted, in Public Works G. O. No. 1,277, dated 10th May 1865; and third, that as funds for the construction of all Public Works are solely provided* for by credits in the

various treasuries in favor of the Public Works Officers, all other extra receipts, such as the sale proceeds of old buildings, should be paid into the treasuries to the credit of Government.

Referred to the Revenue Department.

FORT SAINT GEORGE,
26th July 1865.

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government, P. W. D.

No. 137. ORDER THEREON, 9th August 1865, No. 1,843.

Miscellaneous.

1. The question asked in G. O. dated 10th July 1865, No. 1,571, Revenue Department, was on what principle, or under what rule Captain Fischer claimed as Public

Works Revenue the sale proceeds of an old Native Palace.

2. In Captain Fischer's answer, his first point is irrelevant; his second point proves nothing, for on reference to paragraph 11, Section 5, Chapter 20 of the Account Manual, it is found merely to prescribe a distinct heading in account for sale proceeds of buildings and tools, as distinguished from other possible items of receipt; his third point also proves nothing in regard to the question asked, as the Government have no intention to question the propriety of crediting to Government the sale proceeds of public buildings.

3. As already observed, the question is whether such proceeds are, as a rule, to be credited as Public Works Revenue; and on this point it is to be observed that the

chargeable

*Proceedings of the Madras Government, Revenue Department,
9th August 1865.*

Order in the Finance Department is that all such sale proceeds are to be credited to the "Debt" Account. It does not appear to Government that the mere provision in a Manual of Account for a possible item of receipt can be accepted as setting aside a deliberate G. O. on a finance question.

4. These remarks will be communicated to the Finance Department for such further consideration as may be deemed necessary.

(True Extract.)

H. J. Cunningham
Chief Secretary.

DA & AG. Office
Recd 15
Ansd 8 1865

To the Department Public Works,
the Financial Department.

Erd. S. T. Augustin.

Not done yet

Reported to the Hon. Secy. for the Public Works Department for his opinion on the question remarked upon in the foregoing Proceedings.

W. J. Cunningham Esq. Secy. to Govt. of Madras

14 August 1865.

By the Accountant General

Recd 14 Aug 1865
and returned 14 Aug 1865

Letter 19th August 1865

See 386

Proceedings of Govt. with Revenue Department No 1873.

Not done yet

chargeable

N. 692A
From, The Secretary to the Govt. of India,
Public Works Department.
To, The Secretary to the Govt. of Madras,
Public Works Department.
Public Works Department.
Amila, 2nd August 1865.

Account. Sir

With reference to entries No. 46/7 in the Madras Abstract of Proceedings for May 1865, Civil works, authorising the net proceeds of the sale of the old Talug. Cutchery at Coimbatore being appropriated to the construction of a new Cutchery, I am directed to intimate that the requirements of financial regularity renders it essential that all receipts of this nature should be accounted for as Revenue, and all disbursements as expenditure

chargeable to the Public Works Budget grant of the year in which they occur, and that the direct appropriation of public income to meet items of charge in the manner authorised by the Government of Madras, which is equivalent to increasing the budget grant, requires the express sanction of the Government of India.

2. I am therefore to request that the principle now laid down may be strictly carried out for the future, and that in the present instance funds for the construction of the new Cutchery, which does not seem to be a case necessitating an extra budget allotment, may be assigned, under the rules in force, by an appropriation of credits from the Public Works grants already sanctioned for Madras for 1865-66.

I have the honour to be,
 Your most obedient servant,

W. Dickins *Secy to Govt of India*

Secretary to the Govt. of India, P.W.D.

W.R.H.

*Proceedings of the Madras Government, Public Works Department,
 21st August 1865.*

No. 680. Read the following Proceedings of the Board of Revenue, dated 4th August 1865, No. 4,651.

Read the following letter from V. H. LEVINGE, Esq., Collector of Madura, to R. A. DALYELL, Esq., Acting Secretary to the Board of Revenue, dated 20th July 1865, No. 174:—

SIR,

1. Having reference to the Board's Proceedings, dated 3rd July, I have the honor to report that the sum of Rupees 1,800, the sale proceeds of the old Station House at Dindigul, is in deposit, and is available for the execution of the new Police Station House. The former building was formerly used as a Cutwal's Choultry before the new Police were enlisted, and made over to them when they took charge of the District. No expense was incurred by that Department for constructing it.

2. I therefore beg the sanction of Government for the payment of the amount to the Department Public Works, for erecting the new building.

Submitted to Government, with reference to their Proceedings, dated 29th June 1865, No. 1,481.

(A True Copy and Extract.)

(Signed) R. A. DALYELL,
Acting Secretary.

Transferred to the Department Public Works, with reference to Government Proceedings in that Department, dated 23rd June 1865, No. 1,750.

(Signed) W. HUDLESTON,
Acting Secretary to Government.

No. 681.

ORDER THEREON, 21st August 1865, No. 2,420.

ACCOUNT, No. 74.

Ordered to lie over pending the issue of orders in the Financial Department on Revenue Proceedings No. 1,843, dated 9th August 1865.

(True Extract.)

Colonel R. E.,

Secretary to Government.

To the Revenue Department.
 " Financial do.
 " Superintending Engineer, 8th Division.

Exd. S. T. Augustin.

10. 1/2 p. 100

Book & Adjustment Depart.



Fort Saint George,
Account^t Gen^l Office,
28 August 1865.

From

N^o 89

The Accountant General,
Fort Saint George.

To

The Chief Secretary to Government,
Fort Saint George.

Sir,

I have the honor to acknowledge the receipt of the order of Government dated the 14th Instant, referring, for my opinion, the Proceedings of Government in the Revenue Department of the 9th Idem, N^o 1843, enquiring whether, as a rule, the sale proceeds of public buildings should be credited as Public Works Revenue, and, in reply, to state, that I am not aware of any specific orders of the Government of India directing the observance of that rule.

2. But the Commissioners, in their report upon the system of the Public Works accounts, take no exception to the sale proceeds of Old Buildings being credited to the Public Works Department, although they allude to it as one of the sources of Income of the Department, and, moreover, provision has been made for the exhibition of these realisations on that account, in the form of the Estimated Receipts of the Public

* Vide Para 147 of the Report recorded in the Proceedings of the Govt of India, N^o 1880, dated 9th April 1864, Financial Department.

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Dutch Subsidy

Revenue 1865

Proceedings of Government
Public Works Department
No. 2, 4, 70

28th August 1865

11th 11/10
No. 110

Communicating a letter
from the Chief Secretary
relating to the sale pro-
ceeds (N^o 1843) of the old
Station House at Municipal
is available, since deposite
in the Chief Secretary
Office -

Public Works Department, appended to the order of the Government of India, Public Works Department, dated 11th April 1865, No 35, printed in the order of this Government in the same Department, No 1277 of the 10th May following.

3. And, on the principle that the Department which incurs a charge should receive credit for any receipts which may be realized in connection therewith, I am of opinion that the sale proceeds of Buildings should be credited to the Public Works Department, in the same manner as the rents from them are now carried to the credit of that Department. It appears to me, therefore, that in the particular case now under reference, the proceeds of the old Native Palace which was subsequently converted into a Cutcherry on the assumption of the territory by the British Government, should go to the credit of the Public Works Department, which will have to bear the charge of constructing the new Salook Cutcherry.

4. Adverting to the remark of Government in para 3 of their Order in the Revenue Department above quoted, that the order in the Finance Department is, that all such sale proceeds are to be credited to the Debt account, I beg to observe, that I am not acquainted with any order of the Government of India which directs the adoption of the course here indicated. I presume, however, that the Government refer to the Resolution of the Government of India

contained

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I have the honor to be,
Sir,

Your Obedient Servant,

F. Lambton
Accountant General.

Comp^d J. P.

papers.

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Order: 2^d. Sept 10 65 No. 411.

30 Revenue Sept. - }
- " - Public Works - } des^d 7/9/65.

Kurt E. Lepa

Henry,

Fort M. George

She briefs elegantly

Feb 28 1874

Received 29 J

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Inform that the Comm

in their report upon the
of Public Works accounts, that
no objection to the State
of old buildings being
to Public Works Department

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Relat. to the ...
Sept 1865

Proc of September
Insurance 1865 & forward

No 411

Proceedings of Court

2/2 20/1/1865

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