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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

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Proceedings of the Madras Government, Financial Department,
13th July 1866.

No. 18. Read the following Proceedings of Government in the Public Works Department, dated 6th July 1866, No. 2135.

Communicating papers from the Government of India, respecting the change in official year, with effect from 1866-67, and consequent reduction in the grant for Public Works for that year. } (Vide Proceedings, Public Works Department, dated 6th July 1866, Nos. 148 & 149.)

No. 19. ORDER THEREON, 13th July 1866, No. 266.
To be recorded.

(Signed) J. D. SIM,
Acting Chief Secretary.

Exd. T. Cartledge.

Proceedings of the Madras Government, Public Works Department,
6th July 1866.

No. 148. Read the following Circular from the Government of India, Public Works Department, (Account), dated Simla, the 8th June 1866, No. 49 :—

Change in official year with effect from 1866-67, *and consequent reduction in the grant for Public Works for that year.*

Read again the following papers :—

Public Works Department Circular No. 107 of 1865, notifying and distributing the Public Works Budget grant for 1866-67.

Public Works Department Circular No. 33 of 1866, issuing the Public Works Budget Estimate for 1866-67, and the orders on the various Provincial Public Works Budget Estimates for the same year.

Read also the following :—

Extract from the Proceedings of the Government of India in the Financial Department,—No. 270, dated Simla, the 1st May 1866.

Read again those portions of the Financial Proceedings of May 1865, Nos. 96 to 113, which contain the proposition of the English Commissioners of Enquiry into Indian Accounts, regarding a change in the official year, and the opinions of the Local Governments on that proposition.

Read again Despatch No. 49, dated 2nd March 1866, from the Right Honorable the Secretary of State.

Resolution.—After carefully weighing the advantages and disadvantages of the adoption of the Calendar year, or of the Fusli year, the Governor General in Council has come to the conclusion that it would be best to antedate the present financial year by a month only, thereby making it terminate simultaneously with the official year in England, *viz.*, 31st March.

The financial year 1867-68 will accordingly commence on 1st April 1867.

Payments in April 1867, for which provision has been made in the Budget for 1866-67, must be provided for afresh in the Budget for 1867-68, and the Budget grants for the year 1866-67 reduced by the estimated amount of those payments.

For salaries and establishments it will suffice to limit the retrenchment to one-twelfth of the Budget provision, but for fluctuating charges, a larger retrenchment will be necessary—the monthly rate of the payments for such charges being greater in all Departments, and more especially in the Public Works Department, in the months from October to April than in those from May to September.

The Governor General in Council accordingly requests that the several Local Governments and Administrations will revise the grants for fluctuating charges in the Civil Estimates, in order to the surrender of the full Budget provision for estimated payments in April, and that necessary instructions for a like object be issued by the Public Works and Military Departments of the Government of India.

The Regular Estimate and the Actuals for 1866-67 will be confined to the revenues and charges for eleven months, and the annual adjustments will be made in the accounts of the eleventh month, *i. e.*, of March 1867.

As the accounts of audited receipts and payments for April 1866 and April 1867, will, under the new system, be available separately for those months, the Governor General in Council is of opinion that the comparison of the Regular Estimate of 1866-67, with the Actuals of 1865-66, and of the Actuals and Budget Estimates of 1866-67 will not be deranged by the alteration in the official year now ordered.

ORDERED that the foregoing Resolution be communicated to the several Departments, Governments, and Administrations, to the Comptroller General of Accounts, to the several Accountants General, and to the Deputy Accountants General in independent charge.

Also, that it be published in the *Gazette of India*.

RESOLUTION.—In continuation of the foregoing orders in the Financial Department, the Governor General in Council observes that it having been decided that the financial year should, for the future, terminate on the 31st March instead of on the 30th April, and as the change will take effect on 31st March 1866-67, it becomes necessary to reduce the amount of the Imperial Public Works Budget grant for the year 1866-67 by the amount of the estimated expenditure to be incurred during April 1867.

2. There is no doubt that in this month more than an average monthly rate of expenditure takes place, the season being then favorable for work, so that the Public Works allotment will have to be reduced by more than one-twelfth in consequence of the change now ordered.

3. The accounts for 1864-65 show that, of a total expenditure of 378 lakhs, 57¾ lakhs were spent in April 1865. But it is believed that this large excess above the average expenditure was due to its being the last month of the year, and probably the expenditure in March 1865 may be assumed to be a fairer standard; that expenditure was 36 lakhs out of 378, or say one-tenth. The Governor General in Council is therefore of opinion that it will be proper to reduce the Public Works grant for 1866-67 by one-tenth. The allotment for 1866-67 is therefore diminished accordingly, and, excluding the assignment for loss by Railway exchange, will stand recorded as follows:—

	Grant originally assigned.	Reduction of 1-10th in grant.	Grant as now altered.
	£	£	£
Grant for Public Works proper	5,610,000	561,000	5,049,000
Grant for Rampart Removal Works, Bombay ...	610,000	61,000	549,000
Grant for State Outlay on Railways	391,600	39,160	352,440
Total... ...	6,611,600	661,160	5,950,440

4. The allotments assigned to the various Local Governments and Administrations, are reduced in the same proportion. But considering the labor which would be involved if the Provincial Estimates were to be taken up *seriatim*, and every head of service and the appropriations to each work be reduced by one-tenth, the Governor General in Council is pleased to direct that the Public Works Budget Estimate shall remain unaltered, the expenditure in each Province against them being restricted to nine-tenths of the original grant, that for Military Works being kept down to nine-tenths of the Military grant, and that for Establishment to eleven-twelfths of the assignment made for that head of service. A similar limitation is placed on the expenditure for State outlay on Railways, *i. e.*, the total grant will be reduced by one-tenth, that for establishment being cut down by one-twelfth of the allotment made. The accompanying Statement exhibits the result of the restriction now placed on Public Works expenditure from Imperial Funds during 1866-67.

5. The effect of this procedure is to give the various Local Governments and Administrations a slightly increased degree of latitude in making appropriations during the current year. Thus, if the grant to a Province was 10 lakhs, and the allotment for minor works one lakh, the usual proportion, then the total grant being reduced to 9 lakhs, it would still be open to the Local Government to spend the full amount allowed in the Budget Estimate for minor works. In the same way the charges for repairs might exceed a just proportion of the whole. But an outlay on Establishments in excess of eleven-twelfths of the grant, or any expenditure in excess of nine-tenths of the total allotment, will require the sanction of the Government of India.

6. This latitude will not affect the rules requiring the authority of the Government of India to certain re-appropriations of Budget credits. Those rules will still continue in force during the current year, with this difference that they will only apply to proposals affecting the distribution of the original grant, instead of the grant as now restricted with the exceptions mentioned in the preceding paragraph.

7. In respect to the expected receipts from Public Works Revenue of 1866-67, the Governor General in Council requests that a revised Estimate of such income for the eleven months terminating on 31st March 1867 may be submitted by the 1st October 1866.

ORDER.—Ordered that the foregoing Resolution be forwarded to all Local Governments and Administrations, for information and guidance.

Ordered also, that a copy be forwarded to the Financial Department for information, with reference to its Resolution No. 270, dated 1st May 1866.

Ordered moreover, that a copy be forwarded to the Accountant General, Public Works Department, for information, and for the issue of such subsidiary instructions to the Offices of Account as may be necessary.

(Signed) C. H. DICKENS, Lieut.-Colonel, R. A.,
Secy. to the Govt. of India.

[Accompaniment to Public Works Circular No. 49 of 1866.]

STATEMENT showing the reductions made in the grants from Imperial Funds of Public Works during 1866-67 *consequent on the orders altering the termination of the official year to 31st March* 1867.

PUBLIC WORKS GRANT PROPER.

	Military.		All others.		Total.						STATE OUTLAY ON GUARANTEED RAILWAYS.			Grand Total.
	Original Works.	Repairs.	Original Works.	Repairs.	Original Works.	Repairs.	Establishment.	Tools and Plant.	State outlay on guaranteed and aided Irrigation works and Railways not guaranteed.	Total.	Establishment.	Land for Railways.	Total.	
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£	£	£	£
Madras	86,700	13,300	173,743	225,700	260,443	239,000	178,750	15,000	5,807	760,000	5,058	10,879	15,436	775,436
	78,730	11,970	153,589	204,030	231,419	216,000	163,855	18,500	5,226	630,000	4,655	9,228	13,883	643,883
	Restriction placed on expenditure													
	404,001	59,091	738,580	110,000	1,142,581	1,049,091	207,928	20,910	...	1,530,000	12,824	299,780	312,604	1,842,604
Bombay	Grant as originally assigned													
	383,671	45,672	661,001	98,000	1,044,672	1,044,691	189,776	18,600	...	1,377,000	11,756	269,588	281,344	1,658,344
	Restriction placed on expenditure													
	172,500	40,000	296,575	150,000	469,075	190,000	160,000	8,425	15,460	892,500	9,213	40,830	49,643	892,043
Bengal	Grant as originally assigned													
	165,250	36,000	264,250	135,000	419,500	171,000	146,667	7,583	13,590	706,250	8,453	36,154	44,589	702,839
	Restriction placed on expenditure													
	375,094	50,306	312,268	181,488	687,362	261,794	167,050	20,694	...	1,037,500	...	7,450	7,450	1,034,950
N. W. Provinces.	Grant as originally assigned													
	293,124	45,276	279,257	136,339	571,381	181,615	129,937	18,625	...	924,750	...	6,705	6,705	931,455
	Restriction placed on expenditure													
	369,993	32,107	187,982	119,496	557,585	162,603	119,109	7,777	...	847,500	5,017	1,500	6,677	854,076
Punjab	Grant originally assigned													
	332,994	20,257	166,667	147,546	499,661	136,803	89,115	7,177	...	702,750	4,854	1,265	6,919	709,669
	Restriction placed on expenditure													
	83,500	9,000	181,345	76,440	264,845	35,440	55,106	4,110	...	365,000	...	...	...	865,000
Central Provinces	Grant originally assigned													
	73,150	8,100	102,103	23,796	237,388	31,896	35,000	2,400	...	328,500	...	...	...	328,500
	Restriction placed on expenditure													
	70,000	7,500	123,000	16,000	198,000	22,500	35,000	2,400	...	257,500	...	...	...	257,500
British Burmah...	Grant originally assigned													
	40,000	6,750	114,617	13,500	177,617	29,250	22,083	1,800	...	231,750	...	...	...	231,750
	Restriction placed on expenditure													
	118,908	8,502	78,920	16,480	192,518	23,502	18,692	1,500	3,788	250,000	...	...	...	250,000
Oude	Grant originally assigned													
	107,008	7,032	65,700	13,500	172,708	21,153	20,301	1,350	3,409	225,000	...	...	...	225,000
	Restriction placed on expenditure													
	87,500	7,500	40,828	8,607	98,328	11,107	16,320	1,745	...	137,500	...	...	...	137,500
Hyderabad ...	Grant originally assigned													
	61,750	6,750	36,473	5,246	88,223	9,996	14,966	1,371	...	114,750	...	...	...	114,750
	Restriction placed on expenditure													
	5,580	1,920	15,557	4,163	21,137	6,083	6,980	800	...	35,000	...	...	...	35,000
Straits Settlements	Grant originally assigned													
	5,023	1,728	13,885	3,747	18,907	5,475	6,398	720	...	31,500	...	...	...	31,500
	Restriction placed on expenditure													
	63,666	4,934	25,183	2,439	88,249	5,773	10,007	671	...	105,600	...	...	...	105,600
Rajpootana ...	Grant originally assigned													
	56,759	4,441	22,493	765	79,252	5,106	9,448	604	...	94,500	...	...	...	94,500
	Restriction placed on expenditure													
	28,341	5,659	29,810	10,519	58,151	16,238	14,211	1,400	...	140,000	...	...	...	140,000
Central India ...	Grant originally assigned													
	52,507	5,093	26,592	9,591	79,099	14,614	13,027	1,260	...	108,000	...	...	...	108,000
	Restriction placed on expenditure													
	...	...	5,500	3,950	5,500	3,950	2,830	220	...	12,500	...	...	...	12,500
Coorg	Grant originally assigned													
	...	...	4,903	3,555	4,903	3,555	2,504	188	...	11,250	...	...	...	11,250
	Restriction placed on expenditure													
Total...	1,815,873	231,819	2,808,201	887,262	4,624,074	1,660,081	1,017,240	85,030	24,595	6,230,000	32,170	369,480	391,650	6,621,650
	1,634,285	208,639	1,970,425	753,385	3,604,710	962,179	932,433	76,628	22,135	5,595,000	29,490	322,950	352,440	5,950,440
	Grant as originally assigned													
	Restriction placed on expenditure													

No. 149. ORDER THEREON, 6th July 1866, No. 2,135.

ACCOUNT, No. 12.

1. Communicated to the under-mentioned Officers:—

Superintending Engineers.
Controller of Public Works Accounts.
Accountant General.
Officer in charge of the Store Department.
General Superintendent of Public Works Stores and Workshops.
Consulting Engineer for Railways.
Do. do. Irrigation and Canal Company.

2. The Controller of Public Works Accounts will submit a clear statement, showing in full detail the reductions to be made in the allotments under each head of service in pursuance of the orders of the Government of India. This statement will, on receipt, be printed and circulated to the Officers concerned for information and guidance.

3. Captain Fischer will also submit the revised estimate of receipts called for in paragraph 7.

(True Extract.)

C... B. E.,
Secretary to Government.

To the Superintending Engineers.
" Controller of Public Works Accounts.
" Officer in charge of the Store Department.
" General Superintendent of Public Works Stores and Workshops.
" Accountant General.
" Consulting Engineer for Railways.
" Do. do. for Irrigation and Canal Company,
" Public, &c., Departments.
" Revenue Department.
" Military Department.

Exd. S. T. Augustin.

Rec'd 1st July.

Pro. 22nd. May 66 No 198 } Financial 1866 No 266

Govt. Govt. P. Wks. Dept
No 2135

96 } July 66
99 }

No 239

Covering papers from the Govt of India respecting the change in the official year, with effect from 1866, & the consequent reduction in the grant for Public Works for that year.
13 July 1866 No 266.