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(2) Date of repair 25. 9. 15

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	1249	Press / Mis.
97-98.		97-98
Dated	9-6-	1875.

15/14

Not to be folded or roughly handled

abt. of {1875} Madras.

Finl.

9 June, 1875, No. 1249.

Nos. 94-98.

Further application made to the Govt. of India for sanction to grant a loan of Rs. 60,000 to the Pollachery Board on the completion of the Periá Ghaut road &c.

FINANCIAL DEPARTMENT.

No. 1249.

FROM

THE HON. D. F. CARMICHAEL,
Officiating Chief Secretary to the Government of Fort St. George,

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

I am directed to acknowledge the receipt of the Resolution of the Governor-General, declining to grant a loan from Imperial Funds for the completion of the Peria Ghaut Road, on the ground that the Government of India has laid it down as a principle for its own action that District Committees should not borrow money from the Imperial chest for ordinary and unremunerative public works.

Dated 31st March 1875, No. 2021.

2. I am to invite a reconsideration of this decision on the following grounds :—

In their Resolution, dated 7th February 1874, No. 926, the Government of India sanctioned a loan for the Tambracherry Ghaut Road situated in the same District as Malabar under precisely similar conditions, and this Government therefore considered themselves justified in anticipating sanction.

A very considerable delay having occurred in disposing of the reference, it became necessary to decide whether the work should be proceeded with or whether great loss should be occasioned by permitting the labor, which in these localities has to be brought from a distance, to disperse, as well as great delay by the loss of the limited working season which the heavy rain-fall in the West Coast permits.

The former alternative was adopted, and the fact specially notified to the Government of India so far back as 5th October 1874, and I am to urge that great embarrassment will be occasioned to this Government if the expected funds be now withheld, and that the circumstances afford ground for special consideration of this individual case.

3. It is presumed that this work has been pronounced unremunerative, because the proceeds of the tolls on the ghaut, at the present rate of 4 Annas a cart, do not suffice to pay the interest of the money borrowed and provide for the up-keep of the road.

Few roads could ever be pronounced remunerative on such terms, but I am to point out that there are many indirect advantages which should be kept in view.

Thus the rapid completion of these Wynaad Ghaut Roads will admit of a considerable reduction in the Public Works Establishment maintained in Wynaad, while the perfecting of the drainage, the substitution of stone culverts for temporary wooden structures, and the thorough metalling of the road surface will materially lessen the cost of maintenance.

The planters profit largely by the substitution of wheeled conveyance for the old pack bullocks in the transport of an article so liable to damage and peculation as coffee, while manure and machinery can be brought up on a scale which in the absence of cart roads is impossible.

Though this return is not directly to the coffers of the Local Fund Board, still it must be considered that a Municipal body gains by everything by which their action directly benefits their rate-payers.

4. In addition to this there is the gain to the Imperial Revenue due to the opening up of a wild country like Wynaad, as well as the stimulus to the salt trade with Mysore.

5. Though it is fully admitted that the public indebtedness should not be increased unless it can be clearly shown that the expenditure will be remunerative, this Government must urge that the principle does not extend to dealing with Municipal bodies, and that loans to them should be guided by the same principle as those to owners of private estates. When the works are clearly improving and the security unexceptionable, the loan should be given, especially as, owing to the constitution of Local bodies, Government have far better means of directing and controlling the expenditure than in the case of private parties.

6. The 3rd Section of Act XXIV. of 1871, prohibits Municipal bodies from borrowing funds except from the Imperial cash-chest, and if the principle be adhered to that that is to be closed to them except when a direct money return equal to interest on expenditure and up-keep can be shown, the country must be thrown back on the old system under which all progress was limited to what could be achieved by constructing permanent public improvement from income.

I have the honor to be,
Sir,
Your most obedient servant,

OOTACAMUND,
9th June 1875.

Officiating Chief Secretary.

Exd. T. O'Connor.

1875.

FINANCIAL DEPARTMENT.

From

The Offg. Chief Secy. to Government,
Fort St. George,

To

The Secretary to the Govt. of India,
Financial Department.

Dated 9th June 1875.

Recd.

Issued

No. 1249.

Enclosure.

Local Funds, Loan.—A further application made to the Government of India for sanction to grant a loan of Rupees 60,000 to the Tellicherry Board for the completion of the Peria Ghaut Road, &c.

1

5-1

All communications should be addressed to the Secretary.

No. 147 E. A III 3C

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

~~ESTABLISHMENT~~.

Simla 23. April 1875

Copy of the following forwarded to the Chief Secretary to the Government of Madras for information and guidance with reference to his letter № 1685 dated 5th October 1874.

By order,

J. M. Leod Inne

Deputy Secretary to Govt of India

№ 2021

Government of India.

Financial Department.

Fort William the 31st March 1875

Read - the undermentioned papers regarding an application from the Government of Madras for sanction to the grant of a loan of Rs. 60.000 to the Tellicherry Local Fund Board for the completion of the Peria Ghat Road, and the construction of a fine weather road from Konath to the Peria line in Wynaad.

Letter

Letter from the Government of Madras to the Government of India in the Financial Department № 896 dated 26th May 1874.

Financial endorsement № 3746 dated 12th June 1874.

Letter from the Government of India in the Public Works Department to the Government of Madras № 35 A / 1186 dated 23d September 1874

Letter from the Government of Madras to the Government of India in the Public Works Department № 1685 dated 5th October 1874.

Telegram from the Government of India in the Financial Department to the Government of Madras № 7601 dated 31st December 1874.

Statements showing the Receipts and charges of Local Funds of the Tellicherry Circle.

Resolution. The Governor General in Council regrets that he is unable to comply with the application of the Government of Madras as it is inconsistent with the principle which the Government of India has laid down for its own action, that District Committees should borrow money from the imperial chest for ordinary and unremunerative works.

Order. Ordered that a copy of the foregoing Resolution be forwarded to the Public Works Department for information and further orders.

Sd/ R. H. Hollingbery
Asst Secy: to the Govt of India

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Hindl (187 .) DEPARTMENT.

From

Dated 23 April

Recd. 28 May 1875.

No. 1074

Enclosures.

S. C.

Declining for reasons assigned to comply with the application made by this Government for sanction to grant a loan of Rs. 60,000 to the Telicherry Local Fund Board for the completion of the Peria Ghat Road and the construction of a fine weather road from Korath to the Peria line in Wynaad.

Copies sent to Board

Dick

Loan Fund. And for the Amount required for Repairs to works executed but Not Measured up.

9

	Sub-heads	Amount		
2,400	Cooly hard Soil			
5418	do Easy do	1678	12	2
58	do Rock	363	5	9
408	do Embankment	59	11	6
78	do Rough Stone	544	6	11
	Handling	286	"	"
	Metalling	572	12	"
	Brick in Chunam	903	"	9
	Brickwork	125	"	"
	Centering &c for Arch	107	7	"
	Cleaning Jungle	55	14	"
	Tracing	29	9	"
	Sundries & Supervision Charges	246	8	6
	Total Abstract paid	5066	7	4
	Estimated Expenditure required to pay for work Not Measured up on Peria Road	500	"	"
	do do 1 Mile @ 1144 Rs on Hosdroog Road	1320	"	"
	Balance for Work on Peria Road	252	8	"
	do for Shed on do	502	8	"
	Further Amount to be paid for	2576	"	"

* Expenditure incurred previous to the Receipt of the Special Engineer's Letter No 480 of 12th October 74 the Amount of which is to be charged to Provincial Funds

† Required to be transferred to Provincial Funds

Manuscripts
11th Mch 1875

L. R. S. No 1103
1875

No. 396. Special Executive Engineer's Office
Luckadie, Wynaad, 13th May 1875.

To

The Ag President
Local Fund Boards,
Malabar.

D. BUICK 14 May M. C. E.

Sir,

Reference Your letter No. 80, dated 23rd April 1875.

I have the honor to forward a Statement received from North Wynaad Range Officer, by which you will see that in anticipation of the Loan Fund an expenditure has been incurred amount=ing to Rs. 5066-7-4, & that a further sum of Rs. 2575 is required for works already executed but not yet paid for: of the former amount, however, Rs. 858-12-" were expended on items which are not included in the estimate, this was inadvertently done by the Range Officer, who was at once in=formed by me that he was in error, you will see the note on the subject made by him.

2. Of the Rs. 2575 still required, Rs. 1320 is on account of the Korote & Iriah Road, & the balance Rupees

Rupees 255 for the other, of which
Rs 755 for materials collected for
Culverts & Bridges, & unless utilized
for ~~Yon~~ there is nothing else
that can be used for, & I trust
that funds will be found to com=
=plete the Culverts for which they
have been manufactured.

I have the honor to be,
Sir,
Your Most Obedient Servant,
W.H.H. Kennedy Lt Colonel,
Spl: Exa: Engineer, Wynaad

Malabar L.F. Board office,
Calicut, 14th May 1875.

R. 140.

From

B. Buick, Esqre.,
Offg. President, Local Fund Boards,
Malabar.

To

The Honorable D. F. Carmichael,
Offg. Chief Secretary to Government,
Fort St. George.

Sir,

I have the honour to acknowledge the receipt of your telegram of the 5th instant, intimating the refusal of the proposed loan to the Tellicherry Local Fund Circle on account of the Periah Ghaut Road works, and have replied to it this day in the following terms:- "Periah Ghaut - Already expended Rs. 5260. Work executed - not paid Rs 3220. Establishment charges included. Particulars by letter." The delay in furnishing this information has been caused by my having to refer to the Special Executive Engineer, Wynaad, for particulars; his reply on the subject has only reached me this morning.

2. From

A letter from the President L.F. Boards, dated Calicut 14 May 1875 Rec'd 16 do

R. 7 & 8/140 1165

(1875)
Special Sub-Collector Signs letter forwarding Periah Ghaut estimate & explains delay in receipt of explanation from Special Executive Engineer Wynaad.

2. From the information before me, it appears that the expenditure up to date in anticipation of the loan is Rs. 5266-7-4, inclusive however of a sum of Rs. 858-12-0 which was expended on items not included in the estimate, and which will therefore be charged to the current year's maintenance grant. This leaves a balance of Rs. 4207-11-4 already expended. Further a sum of Rs. 2575 is required for work already executed, but not yet paid for, viz Rs. 1320- on account of the Karaite and Periah Road, and Rs. 1255 on account of the Grant Road Road. These sums however do not appear to include the charges for supervision and management by the Public Works Department, and I have therefore added 25 per cent to each sum, thus bringing them up to Rs. 5259-10-2 and Rs. 3218-12-0 respectively.

3. Of the expenditure incurred on the Grant Road, I observe that Rs. 755 is on account of materials for culverts and bridges which will be lost, if the works are not proceeded with, and I trust therefore that funds may be provided for their execution.

I have the honor to be,
Sir,
Your most obt. Servant,

A. Leech

A. President

Dep. 9/6/75.

1074
1163

No. 1249

Sept 22/76.

Financial Department

To the Secretary to the 19
Government of India
Financial Department

Sir

5 Spare copies of this letter to be sent to Govt of India

I am directed to acknowledge the receipt of the resolution of the Govt of India, dating 31 March 1875 2021. to grant a loan from Imperial funds for the completion of the Peria Ghaut road, on the ground that the Govt of India has laid it down as a principle for its own action that District Committees should not borrow money from the Imperial chest for ordinary Government public works -

2. I am to invite a

Financial Department
from
The Secretary to the Government of India
To
The Hon. President in Council
&c &c &c Bombay Presidency

Dated 14th May 1875.
Rec'd 17th —

S.d. 1249.

Mr. Pelly. Acknowledge by 1st
favourable opportunity. Reserve.

Dated 14th May 1875.
Rec'd 17th —

Mr. Pelly
Sec. 2

Reporting on the Sathmukhi
already incurred on account
of Small Bank Road, and
advising that the Bombay
Govt be informed by 1st
favourable opportunity.

reconsideration of this decision on the following grounds —

In their resolution dated 7th February 1874. No 926. the Govt of India sanctioned a loan for the Tambraparny Anicut work situated in the same District as Malabar under precisely similar conditions & this Govt therefore considered themselves justified in anticipating sanction.

A very considerable delay having occurred in disposing of the reference it became necessary to decide whether the work should be proceeded with or

21

whether part of the bund should be occupied & permitted the labour, which in the meantime has been collected, to be employed upon a distance & dispersed as soon as part of the limited working season which the heavy rain falls on the west coast permits.

The former alternative was adopted on the ground that part of the work would be occupied by the Executive Govt if the Executive Funds in hand withheld, that the circumstances would justify special consideration of this individual case.

The fact specially notified to the Govt of India so far back as 5 Oct. 1874

5. It is presumed that this work has been pronounced unremunerative because the proceeds of the Tolls at the present rate of 4 annas a cart do not suffice to pay the interest of the money borrowed to provide for the upkeep of the road.

Few roads could be so pronounced remunerative on such terms but I am to point out that there are many indirect advantages which should be kept in view.

Where the rainfall is heavy & there is much ghaut road, will admit of a considerable reduction

in the Public works Establishment maintained in Mysore while the perfecting of the drainage, the substitution of stone culverts for temporary wooden structures, & the thorough metalling of the road surface will materially lessen the cost of maintenance.

The planters profit largely by the improvements of which cartage for coffee in the old pack bullocks is the most striking example. In the transport of an article so little to damage or peculation as coffee which requires machinery can be kept up at a scale which is impossible in the absence of cart roads is impossible.

Though this return is
not directly to the effects
of the Local Land Bank
still it must be
considered that as
Municipal bodies
by everything by which
their action directly
affects their Rate payers.

4. In addition to this
there is the pain & the
Imperial revenue by
the opening up of
a wild country like
Ireland as well as the
stimulus to the Irish
trade with Ulster.

5. Though it is fully
admitted that the
Railway indebtedness should
not be increased unless

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it can be clearly shown
that working the Expenditure
will be remunerative this
first must urge that
the principles laid down
Extend to dealing with
Municipal bodies & that
loans to them should be
guided by the same
principle as those to
owners of private Estates.
When the works are
clearly improving
the security unexceptionable
the loan should be
given, especially as only
to the constitution of
Local bodies & Gentlemen
for better facilities
of means of directing
& controlling the Expenditure
than in the case of private

6. The 3? sec. of Act
XXIV. of 1871. prohibits
Municipal bodies from
borrowing funds except
from the Imperial
Cash chest + of the
principle to attend
& that that is &c
closed to them except
when a direct money
return Equal & attend
an expenditure employed
can be shown the
County must be
thrown back on the
old system under
which all projects
were limited & what
could be achieved &
constituting permanent
public improvements [illegible]

A. Lee.

Letter of 12 l
2 Lo 12 & 15 l

Portaeamund
9 June 1875

C5/6