

Financial (1897) Department.

ORDINARY MS.

G.O., No. 701 A

Dated 31 - 8 - 97

INDEXED.

10/11

Printed in G.O. 1084 dated 23-12-97

[Despatch Abstract.]

Informing the Govt. of India by wire that this government has authorized confirmation of advances under class I loans as the Board brought to notice the insufficiency of allotment and that the Revenue Dept. will be requested to furnish the remaining information required by the Govt. of India.

PRINTED IN G.O., dated 23^d

December 1897, No. 1084711

13/9/97

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

CS

From order at with
Haged J.

Rev. Dept. in favour
of counter-initiate

Note Endeavours have
been made to put the
Rev. Dept. contentions
alone before the ag
Cms

Sum

Office

Keep file intact
and for in hand files
Cms

K to copy
XV 5/1/1897
CS

Memorandum

No. 1717

7/14-8-97

As suggested in the Acct. Genl's
letter No. 1813, d/ 17th June 1897, the
Govt. of India has in letter No. 607, d/ 3rd
August 1897 been requested to sanction an
additional allotment of 7½ lakhs under
class I of the Provincial Advances and
Loan account for the current year.

2. The Govt. has reason, however, to
apprehend that the classification in the
account and under 33 Famine Relief Pro-
vincial of advances made for the relief of
distress does not follow the principles
laid down by the Govt. of India. In Fin:
& Com: Dept. resolution No. 5500 A, d/ 16
Decr. 1896 (G.O. No. 749 Rev., d/ 26th Dec.
1896), it was directed that money
placed at the disposal of a landholder or
a village headman for the purpose of being
used for the employment of labour, under
famine relief conditions and restriction,
in the digging of tanks, or for other
village improvements, being granted not
so much for the improvement of land as
for the employment of labour, should be
regarded as expenditure upon famine relief
and should be kept quite separate from the
account of ordinary land improvement ad-
vances. In Rev. & Agri. Dept. letter No.
11E-27-I, d/ 8th Feb. 1897 (G.O. No. 219
Rev, d/ 30th March 1897, recorded in G.O.
No. 564, Finl., d/ 1st May 1897), the Govt.
of India directed that all land improvement

loans

loans made during the present scarcity should be of the above kind, that is, that no money should at present be made available for the purposes of ordinary land improvement as distinct from the relief of distress and that such advances should be made only in tracts where relief is required or where they may be considered necessary to avert distress. In reply to this letter the Madras Govt. informed the Govt. of India that the terms and conditions adopted in Bengal and the N.W. Provinces in regard to the repayment of advances were unsuited to the circumstances of this Presy; that H.E. the Governor in Council preferred to make these advances under the ordinary rules; that the principle that they should be confined to affected tracts and to tracts where distress was impending was accepted, exception being made in the case of advances for the conversion of dry lands under the Periyar into wet. In para 4 of Fin: Com: dept. No. 1233 A, d/ 16th March 1897 (G.O. No. 523 Finl., d/ 8th April 1897) the Govt. of India intimated that in the case of advances under the Land Improvements and Agriculturists' Loans Acts provision could be made during the current year only for advances required for the relief of distress or for other purposes connected with measures of famine relief. An allotment of 2 1/2 lakhs for this Presy. was granted under class I.

Detailed account 33 C

This is not class I & does not go against the grant

" " 33 E

C. No 2388

3. The outlay booked up to the end of May 1897 appears to have been as follows:--

<u>Provincial advances and loans account - Class I</u>	
	<u>Lakhs</u>
(Ordinary loans bearing interest at 6 1/4 per cent -----	2.29
(Loans under the special well rules at 4 per cent -----	.40
Agriculturists' Loans Act -----	.58
	<u>3.27</u>

33 - Famine Relief

(Relief to people employed otherwise than on relief works

Advances to weavers -----	1.56
" for seed grains ----	"

Miscellaneous

Loans for the purchase of fodder and cattle -----	"
Advances to village headmen or landholders for digging tanks, wells or for other village improvements -----	.02
	<u>1.58</u>

4. Under the Acct. Genl's circular as amended No. 4, d/ 28th Jan. 1897, as amended by his memo No. 12, d/ 21st July 1897 and in the forms adopted in the Civil Budget Estimates, advances to weavers and advances to village headmen or landholders for digging tanks or for other village improvements are shown under 33 Famine Relief, whilst advances for seed grains are apparently to be debitable to the Loans and advance account, and his reading of the Govt. of India instructions

instructions would seem to be that loans given to village headmen and landholders for digging wells, not for their individual benefit, but as representatives of the community, being given under special conditions, are correctly debitable under 55 Famine Relief whilst advances sanctioned for digging wells for the benefit of individuals and on payment of interest fall under the loan accounts. The principle enunciated and the mode of payment prescribed in the Govt. of India letter of 16th Decr. 1896 have however since been made applicable to all land improvements loans in the famine affected tracts vide Rev. & Agri: Dept. letter No. 11F 27 I, d/ 8th Feb. 1897. Para 9 of the Acct. Genl's circular No. IV of 28th Jan. 1897 ^{would seem to have been} ~~was~~ ^{of a permanent} based on the earlier letter and should have been supplemented by further instructions with reference to the letter of 8th Feb.

The Acct. Genl. is requested to consider the above remarks and report ^{fully} at an early date as to the correct classification of the loans advances

Cms
14/8/97

14/8/97

11/3/97

To

The Acc & Genl Secy

14/8/97

[F.]
28
1,000—25-11-96.

Financial (1897) Department.

CURRENT No. 2569

From

Revenue Dept.

Order

No. —

Dated 18 Augt '97

Received } 21st Augt '97

Registered

Enclosures

Spare copies.

SUBJECT.

Requesting information as to whether the 7½ lakhs asked for in letter no 607 Lint: dt 3-8-97, was for seed & cattle or for land improvements, or if for both in what proportions.

7/6/97
M. R. Ben
15/8/97

BACK PAPERS.

G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.
HLC	2753/27		
	2776		

CURRENT NO 2,569

1880 2012

Code Class

INDIAN



TELEGRAPHS.

Month Number.

To (Office)

ootacamund

From (Office)

Simla

Words

Day

Hour

Minute

To (Person)

Madras

From (Person)

Revenue

A. Your letter financial boy dated 3d asking allotment of 7 1/2 lacs under class 1 in revenue boards monthly. June famine report advances from 1st April [one] shown as 408 and 205 under land improvement and agriculturists loans gets respectively please explain how 613 was actually advanced up to 26th June against an allotment of only 250 also say (2) what further advances since that date

Word Form.

At

By

Md. by

OOTACAMUND 20-8-97

Telegraph Master.

[G.]
1,000-3-5-97.

C27.2.97
R27.2.97
R30.2.97

Financial DEPARTMENT.

C. No. 2569.

(3) H. E. THE GOVERNOR.

(1) THE HON'BLE ^{Sir Henry} MR. BLISS, C.I.E.

(2) THE HON'BLE MR. GROSE, C.I.E.

SUBJECT.

Advances under Land Impro-
vement and Agricultural
Loans Acts.

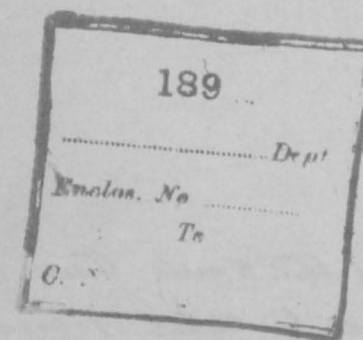
FOR ORDERS.

India, in reply to letter No. 607 Fint. of 3rd August 1897, in which sanction was requested to make additional allotment (for the prov. of 7½ lakhs subject to further report) under Class I of the Provl. Loans & Advance Account Acts:-

(I) For an explanation of the disbursement of 6.03 lakhs under ~~Class I~~ the two acts mentioned at the head of ~~the note~~ this note, & advised in the Board's monthly Tu Fannis report [recorded in G.O. No. 651 Rev. of 29. June 1897] again a grant of 2.50.

II. The amount of further advances made since that date & how these have been adjusted

III. Whether the 7½ lakhs are for seed and cattle or for ~~the~~ ~~work~~ which otherwise would



improvements with the object of
employing relief labour which
could otherwise come on relief
works and if ^{for} both in what
proportions

As regard I the answer is,
is submitted, that the Board
brought the fact that the ~~allocation~~
insufficiency of the allotment of 2 1/2
lacks to the notice of Govt. as soon
as it became apparent and that
other than ^{take} ~~stop~~ the harsh
measure of stopping advances in
distressed areas the Govt. authorized
their continuance pending sanction
of an addl. allotment, especially as
the Govt. of India was being kept
informed in the very monthly reports
^{on} to which it now takes exception
calls for explanation of the
progress of expend. This action
may not have exactly in accordance
with the articles of the C. A.

Code but it followed the dictates
of humanity. Perhaps India might be asked at the same time
3. Points II and III will require
a reference to the Board &
the Act. Govt. The 7 1/2 lacks
more or less an arbitrary

I think we may also say that
as the actual expenditure was rep.
of India every week, we thought
we had better wait until we could
make more definite ^{figures} into
proposals before applying for
addl. grant. This is in fact exp.
in letter 607, but we may as well
3.8.97 repeat it.

The R.D. must find the
replies to points II & III
done sharp.

27/879
I am from the R.D. last week that the
admission in the famine districts was
Rs 14,55,286.

advances are to cease, pending
sanction to an additional
allotment. This sanction it has
yet given but it has also sh.
the responsibility of
further expenditure an
issue with the Govt. must

figure subject to a further
report based on more reliable
information (para 3 of Letter No.
A' 607 Fint: of 3. August 1897)
The Act. has not yet replied to
Mem. No. 1717 of 14. August
1897 on the subject of the
classification of these advances
and it appears to be evident
that he and the Board are
not adopting the same methods,
for ~~his~~ his figures to the
end of June under Class I amounted
to 5.98 lacks against the
6.03 under the two Acts up to
the 26th June 1897 as reported
A' by the Board to India. The Act's
figures do not ^{apparently} ~~include~~ ^{include} seed grain
advances which according to his
recent Memorandum of 21. 7. 97
should go into the Loan and
Advance Account. From the
present telegram from the S of
the latter would appear to
contemplate ~~at~~ a distinction
between loans granted for ordinary
land improvement and those
granted for land improvement
with the object of employing
labour which otherwise would

but between cattle & seed grain
loans & L.I. loans, the latter
were being granted with the object
of employing labour which
otherwise would come on relief

Rs
The order of India re L.I. loans
the object of employing
labour which otherwise

4

Came on relief works, intending perhaps that the latter should go to 33 Famine Relief & the former to the Loan Advances Account. Whether such distinctions have been observed in the case of past loans & whether their observance is at all practicable are, it is sub^d, questions which the Finl. Dept cannot answer & which should be thrashed out in the Revenue Dept which is concerned not only with the administration not only of Famine Relief but also of these advances under the Agriculturists' Land Improvement Loans Act. The whole question of the adv^d. allotment is so closely connected with the working of the Acts & of the subsidiary instructions issued by India & received in the Rev. Dept. that it is thought that it would be better for that Dept to deal with the subject in the first instance. India might however be replied to by telegram at once as regards point I.

Cms
23.8.92

23/8/92

See below

Came on relief works. have been stopped: Hence the distinction referred to in the note can not exist.

24/8/92

5

The note proposes to hand over all this loans question to Revenue. I submit that the first principle of successful administration is the definite fixing of responsibility and the old proverb says "it is ill swapping horses in the middle of a stream". Hitherto Finl. has been responsible for this loans subject and should, I submit, remain so. It is essentially a financial question and one with which they have long dealt independently of famine altogether. In fact famine has nothing to do with the question except that India has laid down that loans are to be made to relieve distress and not otherwise. We have many troublesome subjects of our own to deal with in Revenue and though I am quite ready to do all I can to help I think it much better not to make piecemeal changes of this nature.

24/8/92

OFFICE NOTE

To

The Secretary, Revenue Department

The above note of the Revenue Department appears to have been written under a misapprehension. All that Financial proposed was that the question should be dealt with by Revenue "in the

first

6
first instance" and this proposal seems to be only fair considering that Revenue has even gone to the length of corresponding with India and issuing instructions on India's letters (for example please see G.O. No. 749 Revenue, dated 26th December 1896 and G.O's Nos. 219-219 A Revenue, dated 30th March 1897) regarding the treatment of the ~~loans~~ ^{loans}. Under these circumstances it appears to me to be "swapping ~~words~~ ^{horses} now for Financial to take the matter up entirely. Revenue was given a grant of 2.50 for the current year. It controls that grant, like Local and Municipal does that for Municipal Loans. Revenue deals with the rules regarding these loans, corresponds with India etc. on them and issues instructions, and rightly so in its capacity as the administrative department. ~~It~~ ^{It} would be somewhat hard on Financial to ask it now to unravel the tangle - for tangle there is. Before Financial can reply to India there are administrative points to be cleared up and these fall to the administrative department of Government - in this case the Revenue. Financial has no desire to shirk its responsibility or its legitimate work. It has had much extra work of a troublesome and harassing character in consequence of the famine and has endeavoured to carry this extra work on without the slightest addition to its establishment but it has, I consider, a right

I
E's R.

7
right to look to administrative departments to thresh out questions of administration. Following the line of argument adopted in the Revenue Department note, it would be necessary for Financial to ~~distinguish~~ ^{disentangle} a question regarding ~~the~~ Public Works Department expenditure which is hinged in a great measure on the Public Works Code.

Redmickhice
Chief Secretary.

OFFICE NOTE.

To
The Honourable the Chief Secretary

I quite agree that Revenue should deal with all administrative questions connected with loans and it has done so. I know of no administrative question relating to the matter which is open. The questions which arise here are:-----

1. Why the loans expenditure was allowed to exceed the grant?
 2. How are famine loans to be classed in the accounts?
- Neither of these obviously are administrative in any way. The letters referred to in the ^{above} note related to certain modified rules; and thereby

It seems to me that it is quite ridiculous. Rev. Sec. to maintain that ~~it has nothing to do with the question~~ ^{it is a question} ~~which the Dept. which disbursed the loans~~ ^{of the R.D. had nothing to do with the matter} ~~the second question~~ ^{why did it not let it alone} ~~first?~~

As regards ~~the~~ ^{the} Rev. Sec. and as certain ~~much~~ ^{has been spent} ~~on~~ ^{on} ~~the~~ ^{the} ~~object~~ ^{object}.

25
A.S.H.

8
raised a purely administrative ques-
tion which was dealt with in Revenue

G. H. Khan
Ag. Secretary to Government,
Revenue Department.

The "modified rules" which raised the
purely administrative question referred
before were what upset the
entire classification of these loans.
If the R. D. considered that the
question ~~How~~ are famine loans
to be classed in the accounts
~~is~~ one with which it should
not deal it should not have
issued the order at Flag I or
the letter at Flag R.

26-8-97

*Office
Keep file intact*

Summ. for M. G.

C. No. 2569.

Financial Dept

208
Order No. 701 A & 31st August 1907
The following telegram will be
despatched to the [G. of I.] Finance,
[Commerce Dept.] Suva

696 x Your telegram 18th
additional allotment Class I
loans. Board brought insufficiency
of allotment to notice ~~at once~~ ^{directly} as it
became apparent but rather than take
~~any~~ ^{such} measure stopping advances
distressed areas Govt. authorized
continuance pending sanction add:
allotment especially as Govt. India
was kept informed in Board's
monthly reports of progress
expended. Actual expended being
also reported weekly to Govt. India
this Govt. considered it advisable
to await ~~the~~ more or less definite
situation before formally applying
additional grant. Further inform:
requested ~~for~~ telegram will
be ~~with~~ ^{as soon} immediately
ascertained

2. The Revenue Dept. will be
requested to report ~~the~~ ^{forthwith} furnish
the at a very early date, the

A Season Report?

*Placed
in
31/8/97*

Remaining information required
by the Govt. of India.

Cust
30/8/97

(From Order)

30/8/97

Revenue Dept (a/c)

with copy of letter 602

3.8.92

281 and 4th March 1917

14.8.92

Enclosed for the
Govt. of India

Recd
2/9/97

en given for copying
en copied
en examined
en signed

189

AGAIN G.O., No.
189

DATED

MENT No.

SALES TO C. No.

OVERNMENT

GOVERNMENT

TH DITTO.

LED UP, BEING MEANT FOR DESPATCH
ORIGINAL.

A A A A A A A

Copy in full.
Not to be copied.
Copy abstract only.
heading only.