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INDEXED.

Local & Munl. (1897) Department.

MISCELLANEOUS.

G.O., No. 1242 M

DATED 19-5-97

DESPATCHED

[Despatch Abstract.]

Provincial Loans & Advances.

According to the modifying the
estimates of the — for 1897-98

BACK PAPERS.

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

FURTHER PAPERS.

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

Government {1897} of Madras. FINANCIAL.

LOCAL & MUNICIPAL DEPT.
CURRENT NO. 1862. M

Recd.

1 MAY 1897

1897.

Enclosures

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G.O., No. 323, 8th April 1897.

APRIL.

Provincial Loans and Advances.
Modifying the estimates of the — for 1897-98.

Misc. order No 1242 M. misc. dt. 19.5.97.

Recorded.

V.R.
7/5/97

10/5/97

21/7/5

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Public Works Dept.

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GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—again the following paper:—

G.O., Nos. 884, 885, Financial, dated 16th December 1896.

ABSTRACT.—Accepting the estimates under 13. Interest and 45. Civil Works—Municipal as appended within and forwarding to the Government of India certain statements of Provincial loans and advances.

Read—also the following papers:—

Resolution of the Government of India, Finance and Commerce Department (Accounts and Finance—Loans and Advances), dated Calcutta the 16th March 1897, No. 1233 A.

Read—

The undermentioned letters and telegrams from Local Governments and Administrations, furnishing the Revised Estimates for 1896-97 and the Budget Estimates for 1897-98 of Provincial Loans and Advances:—

- (1) From the Chief Commissioner, Central Provinces, No. 7888, dated the 18th November 1896; No. 1038, dated the 10th February, No. 1098, dated the 20th February, and No. 1292, dated the 27th February 1897.
- (2) From the Chief Commissioner, Burma, No. 688—2 L-1, dated the 24th November 1896, telegram No. 227, dated the 2nd December 1896, No. 45, dated the 10th February, and No. 55, dated the 22nd February 1897.
- (3) From the Chief Commissioner, Assam, No. 102 Budget—1487-A, dated the 17th October 1896.
- (4) From the Government of Bengal, No. 113 F., dated the 7th January 1897.
- (5) From the Government of the North-Western Provinces and Oudh, No. 465-X.—2-3, dated the 21st January 1897.
- (6) From the Government of the Punjab, No. 6, dated the 2nd January 1897, and telegram No. 102, dated the 20th February 1897.
- (7) From the Government of Madras, No. 885 (Financial), dated the 16th December 1896.
- (8) From the Government of Bombay, No. 418, dated the 30th January, No. 639, dated the 12th February, and No. 801, dated the 20th February 1897.

Resolution.—The following table shows the figures which have been proposed by the Local Governments and Administrations for the Revised Estimates for 1896-97:—

(In thousands of Rupees.)

	Class I.	Class II.	Class III.	Class IV.	Total.	Recoveries.	Net Outgoings.
Central Provinces	10,30	..	..	2,32	12,62	4,23	8,39
Burma { Upper	2,34	..	..	..	2,34	2,78	.. 44
Lower	1,50	..	..	..	1,50	1,43	7
Assam	5	..	..	..	5	3	2
Bengal	5,50	2,39	5	7,28	15,22	3,78	11,44
North-Western Provinces and Oudh	42,00	4	..	1,98	44,02	13,60	30,42
Punjab	8,90	..	..	3,99	12,89	4,90	7,99
Madras	5,00	..	..	4,03	9,03	3,75	5,28
Bombay	12,18	..	3	1,87	14,08	9,38	4,70
Total	87,77	2,43	8	21,47	1,11,75	43,88	67,87

2. The figures in the above table do not include an advance of Rs. 12,000 sanctioned in the letter from this department, No. 2334, dated the 30th May 1896, for a loan to Malik Mani Khan of Banu. They do not also include the estimate of probable expenditure out of the special allotment in Bombay of Rs. 23,00,000 for agricultural advances sanctioned in the

No. 4723 A., dated the 2nd November 1896.
 „ 4945 A., „ the 20th „ „
 „ 328 A., „ the 19th January 1897.
 „ 409 A., „ the 23rd „ „

telegrams from this department quoted in the margin. On a consideration of the progress of actuals according to the latest available information and of the probable

requirements during the remainder of the year in the several provinces, the Government of India adopt the following figures as the Revised Estimates of total recoveries and payments in 1896-97:—

(In thousands of Rupees.)

	Recoveries.	Payments.	Net Payments.
Central Provinces	2,70	11,10	8,40
Burma { Upper	2,78	2,34	.. 44
Lower	1,10	1,50	40
Assam	3	5	2
Bengal	3,78	13,20	9,42
North-Western Provinces and Oudh	13,60	42,00	28,40
Punjab	4,90	12,90	8,00
Madras	3,75	7,50	3,75
Bombay	9,38	31,70	22,32
Total	42,02	1,22,29	80,27

3. The figures proposed by the Local Governments and Administrations for the year 1897-98 are—

(In thousands of Rupees.)

	Class I.	Class II.	Class III.	Class IV.	Total.	Recoveries.	Net Outgoings.
Central Provinces	11,00	..	..	3,00	14,00	6,45	7,55
Burma { Upper	5,00	..	..	30	5,30	2,31	2,99
Lower	1,60	..	..	1,31	2,91	1,39	1,52
Assam	5	..	..	5	10	2	8
Bengal	7,50	1,57	12	20,00	29,19	4,18	25,01
North-Western Provinces and Oudh	14,04	..	..	6,00	20,04	9,23	10,81
Punjab	12,10	..	..	4,20	16,30	6,45	9,85
Madras	5,50	..	..	5,86	11,36	3,27	8,09
Bombay	16,77	15	3,61	10,77	31,30	7,87	23,43
Total	73,56	1,72	3,73	51,44	1,30,45	41,17	89,28

4. The Government of India regret that, in the special circumstances of the present year, it is not possible for them to comply in full with the demands of the Local Governments. In the first place, as regards loans to municipalities, the Government have not at present any funds to lend for purposes of water-supply and drainage schemes; and works of the kind should either be put off until funds are available, or the municipalities should borrow in the open market. Accordingly the amounts provided by the Government of India for loans to municipalities in 1897-98 are mainly those required in connection with plague or famine relief.

Similarly, in the case of advances under the Land Improvement and Agriculturists' Loans Acts, provision can only be made for advances required for the relief of distress or for other purposes connected with measures of famine relief.

5. The figures proposed by the Local Governments and Administrations have been examined in the light of the remarks made in the preceding paragraph, and in

1897.

lieu of them the Government of India
Budget Estimates of 1897-98:—

the following amounts for the

(In thousands of Rupees.)

	Class I.	Class II.	Class III.	Class IV.	Total.	Recoveries.	Net Outgoings.
Central Provinces	11,00	..	..	1,00	12,00	6,45	5,55
Burma { Upper	5,00	..	..	30	5,30	2,31	2,99
Lower	1,60	..	..	..	1,60	1,39	21
Assam	5	..	..	..	5	2	3
Bengal	5,00	73	..	3,00	8,73	4,18	4,55
North-Western Provinces and Oudh	14,04	..	..	3,00	17,04	9,23	7,81
Punjab	5,00	..	..	1,20	6,20	6,45	25
Madras	2,50	..	..	1,60	4,00	3,27	73
Bombay	11,77	15	2,25	5,77	19,94	7,87	12,07
Total	55,96	88	2,25	15,77	74,86	41,17	33,69

6. The following remarks are offered in explanation of the altered figures:—

Central Provinces.—The proposed estimate under class IV has been taken at Rs. 1,00,000 only to meet the requirements of the Wardha Municipality, or other similar advances which may have already been promised.

Burma.—Provision of Rs. 1,31,000 in Lower Burma under class IV has been struck out.

Bengal.—A considerable portion of the proposed advance of Rs. 7,50,000 under class I appears to be required for purposes of ordinary land improvement. A provision of Rs. 5,00,000 is considered sufficient to meet all urgent requirements for famine relief, and has been allowed. Under classes II and III the sums of Rs. 84,000 and Rs. 12,000 provided as a reserve have been omitted. Under class IV a sum of Rs. 3,00,000 is retained for small works in progress.

North-Western Provinces.—Here, as in Bengal, Rs. 3,00,000 have been retained under class IV to meet necessary requirements.

Punjab.—The sum of Rs. 12,10,000 entered by the Local Government under class I includes Rs. 5,00,000 on account of the cost of survey and watercourse construction on the Chenab Canal Colony. But the question whether the charges are correctly classified in the accounts as loans is now under consideration, and pending final decision the amount is omitted from the present estimates. A further reduction of Rs. 2,10,000 is also made in the local figure with a view to restrict the advances only to famine relief requirements. Under class IV the estimate is reduced to Rs. 1,20,000 for reasons explained in paragraph 4.

Madras.—The figures proposed are reduced by Rs. 3,00,000 under class I, and Rs. 4,36,000 under class IV, with reference to the general principle explained in paragraph 4 of this Resolution.

Bombay.—A reduction of Rs. 5,00,000 is made under class I in view of the large amounts entered on account of ordinary Land Improvement loans. Under class III a sum of Rs. 3,00,000 is required for a loan to the Jath State for famine relief operations. Of this amount, Rs. 75,000 will be advanced in the current year, and the remaining Rs. 2,25,000 are entered in the Budget Estimate of 1897-98. As regards loans under class IV, the sum of Rs. 5,00,000 estimated to be required in connection with the plague, together with a small margin of Rs. 77,000 for other absolutely necessary requirements, are retained. The sum of Rs. 2,00,000 proposed for the Haiderabad Municipality cannot be provided for, and, if necessary, the municipality should obtain the money by a loan in the open market.

7. In sanctioning the above allotments His Excellency the Governor-General in Council desires to impress on the Local Governments and Administrations the necessity of restricting advances in districts, not suffering from famine, as much as possible, so as to make them available for districts in which special relief is required.

8. The amounts payable by the Local Governments to the Imperial Government as interest on the Provincial Loan and Advance Account in 1896-97 and 1897-98 are shown below:—

	1896-97.					1897-98.			
	Opening balance.	Net amount of loans to be made.	Closing balance.	Mean balances in columns 1 and 3.	Interest at 4 per cent. on column 4 payable to Imperial Government.	Net amount of loans to be made.	Closing balance.	Mean balances in columns 3 and 7.	Interest at 3½ per cent. on column 8 payable to Imperial Government.
	1	2	3	4	5	6	7	8	9
Central Provinces	19,40	8,40	27,80	23,60	94	5,55	33,35	30,57	1,07
Burma { Upper	..	..	..	..	..	2,99	5,57	4,07	14
Lower	3,08	40	3,48	3,28	13	21	3,69	3,59	13
Assam	13	2	15	14	1	3	18	17	1
Bengal	49,78	9,42	59,20	54,49	2,18	4,55	63,75	61,47	2,15
North-Western Provinces and Oudh	1,01,33	28,40	1,29,73	1,15,53	4,62	7,81	1,37,54	1,33,64	4,68
Punjab	51,10	8,00	59,10	55,10	2,21	25	58,85	58,98	2,06
Madras	39,72	3,75	43,47	41,60	1,66	73	44,20	43,84	1,53
Bombay	62,54	22,32	84,86	73,70	2,95	12,07	96,93	90,89	3,18
Total	3,27,08	80,71	4,07,79	3,67,44	14,70	33,69	4,44,06	4,27,22	14,95

The interest payable by Local Governments in the year 1897-98 has been calculated at 3½ per cent. in accordance with the Resolution in this department, No. 852 A., dated the 20th February 1897.

9. The necessary entries have been made in the Provincial Revised and Budget Estimates for the amounts of interest shown in columns 5 and 9 of the table in the preceding paragraph, which are chargeable to Provincial Revenues; and the Comptroller and Auditor General should show such amounts under the head "13. Interest on Debt" by deduction from the Imperial share and addition to the Provincial share.

10. The Comptroller and Auditor General should also enter in his Ways and Means Estimate the total figures of receipts and outgoings given in paragraphs 2 and 5.

Order.—Ordered, that this Resolution be communicated to the Home Department, to the Department of Revenue and Agriculture; to all Local Governments and Administrations (except Coorg, Ajmere, Hyderabad and Baluchistan); to the Comptroller and Auditor General; and to all Accountant-General and Comptrollers (except Comptrollers, Hyderabad and Post Office).

(Signed) R. A. GAMBLE,
Under Secy. to the Govt. of India.

From W. H. MICHAEL, Esq., Officiating Accountant-General, to the Chief Secretary to Government, dated Fort St. George, 25th March 1897, No. 1002.

With reference to the Government of India, Financial Resolution No. 1233 A., dated the 16th March 1897, passing orders on the local loans estimates for the current and ensuing years, I have the honour to request that I may be furnished, at an early date, with details of the reduced figures for entry in the Civil Estimates shortly issuing to the press.

From the Accountant-General, dated 6th April 1897, No. 1119.

ORDER—No. 323, Financial, dated 8th April 1897.

The estimates will be modified as shown below :—

				Budget, 1897-98. RS.	Revised, 1896-97. RS.
<i>Class I.</i>					
Land Improvement Act	..	..	..	2,50,000	3,67,000
Famine advances	..	..	..	..	25,000
Agriculturists' Loans Act	..	..	..	2,50,000	3,92,000
<i>Class IV.</i>					
Cocanada water-supply	..	..	..	78,000	92,870
Conjeeveram do.	..	..	..	..	48,500
Dindigul do.	..	..	..	11,250	..
Anakapalle office building	..	..	..	..	3,000
Kurnool market	..	..	..	..	5,000
Do. water-supply	..	..	..	..	3,630
Ootacamund sanitary works	..	..	..	12,750	10,000
Tirupati water-supply	..	..	..	48,000	45,000
Vizagapatam do.	..	..	..	1,50,000	1,50,000
Total	..	..	..	4,00,000	3,58,000
					7,50,000

(True Extract.)

Al. W. Napp
for Chief Secretary.

To the Revenue Department.
 „ Local and Municipal Department.
 „ Accountant-General.
 Editors' Table.

Exd. C. M. Thambuswamy.

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