M.R.O. 1—77,006—8-6-37.

(1) Number of pages 6

(2) Date of repair 4-6-42

(3) Initials of the Referencer

MADRAS RECORD OFFICE.

Government of Madras.

P. W. D **DEPARTMENT.**

G.O. No. 444 Press / ~~Mis.~~

228 229.

Dated 14-3-1862.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department, 14th March 1862.

No. 228. Read the following Proceedings of the Madras Government in the Financial Department, dated 12th March 1862, No. 204 :—

Communicating Proceedings of the Government of India, admitting the propriety of the protest of Madras Government against their interference with regard to the disposal of Local Funds, and stating that their object in requiring the submission of the Budget was for their own information sake } (Vide Financial Proceedings, 12th March 1862, Nos. 31-32.)

No. 229. ORDER THEREON, 14th March 1862, No. 444.

1. Communicated to the Chief Engineer for information, with reference to the orders in this Department, No. 2,253, dated 7th December 1861.

2. The Local Fund Budget of this Presidency for 1862-63 being over due, the Chief Engineer will be requested to expedite its submission.

(Signed) W. H. HORSLEY, Lieut.-Colonel,
Secretary to Government.

FINANCIAL DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 25th January 1862, No. 922.

Read letter from T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, to the Secretary to the Government of India, Financial Department, No. 604, dated Fort Saint George, 4th December 1861.

No. 43, FINANCIAL DEPARTMENT, FORT WILLIAM, THE 4TH JANUARY 1862.

Forwarded to the Public Works Department, for a report on the views expressed by the Government of Madras in paragraph 3 of the above letter. Original paper to be returned.

Office Memorandum from Lieutenant Colonel H. YULE, Secretary to the Government of India, Public Works Department, to the Secretary to the Government of India, Financial Department, No. 149, dated Fort William, 13th January 1862.

General Accounts. With reference to the remarks of the Madras Government on the subject of submitting Budgets of the expenditure of Municipal and Local Funds, forwarded under Financial Department Docket, No. 43,* dated 4th instant, the undersigned has been directed by the Governor General in Council to communicate the following remarks.

* Herewith returned.

2. The views of this Department on the subject have been expressed in Resolution of 22nd September 1860, thus:

"It is not intended, by requiring the insertion in the Budget of outlay from funds entirely at the disposal of the Local Government, to exercise any interference therewith. It is only desired that the Government of India should be kept informed of the outlay, for financial purposes, and of the nature of the projects, for information's sake, and in reference to their effect upon the wants of the country, which remain to be met from Imperial Funds."

And again in the new Budget Rules issued in July last:

"42. The Budget of Local Funds will also be separate from the Budget of Imperial Public Works, and will be arranged under similar parts, *so far as they may be applicable*. The object of this Budget is the useful information which it affords as to an important part of the whole field of public improvement, as well as the exercise of foresight which it induces. But interferenc with the authority of the local Governments over this expenditure is not implied in the call for a Budget."

3. These being the views of this Department, it is held that the Madras Government is right in its *quasi-protest* against further interference. Local Budgets are called for in this Department as programmes of what the Local Governments intend to do with their Local (Public Works) Funds, but it does not contemplate the exercise of any control, or the necessity of sanction to the works at all. The amount of work done by the local funds in some Provinces is large, and forms no small element in the progress of improvement; the submission of the programme of such expenditure is therefore a matter of considerable interest.

FINANCIAL DEPARTMENT, FORT WILLIAM, THE 25TH JANUARY 1862.

RESOLUTION.—THE Governor General in Council observes that the view taken by the Public Works Department, as expressed in the foregoing communication, seems correct.

Ordered that a copy of the above and of the Office Memorandum from the Public Works Department, be sent to the Government of Madras, for information, in reply to Mr. Pycroft's letter, No. 604, dated the 4th ultimo.

(A true Extract)

(Signed) C. HUGH LUSHINGTON,

Secretary to the Government of India

ORDER THEREON, 12th March 1862, No. 204.

Communicated to the Revenue, Public Works and Military Departments, in reference to the Order of Government dated the 4th of December last, No. 603.

(True Extract.)

Chief Secretary.

To the Revenue Department.
„ Public Works do.
„ Military do.

Exd. F. Cartledge.

Yr. Dest. 7/61 No. 86-87.

Public Works 1862 Disp.
Ord: of Govt. for Branch
No. 730.
Pros: of the Railroad Good
in the Financial Dept.
Dated 12th March/62
Rect. 18th

No. 264.

Communicating Ord. of the Govt. of India admitting the propriety of the protest of Madras Govt. against their interference with regard to the disposal of Local Funds and stating that their objects in requiring the submission of the budget was for their own information.

With an order
No. 444 - 14 March

13 Copies
Govt. Resolution
14th March 1862

To
The Chief Engineer Dist. 14

No. 44.

Communicated to the Chief Engineer for information with reference to the orders in this Department No. 2253 dated 7th December 1861.

The Local Fund Budget of this Presidency for 1862/63 being overdue, the Chief Engineer will be requested to expedite its submission.

Yr. 2280229