

(1) Number of pages 6(2) Date of repair 21-9-47

(3) Initials of the Referencer _____

MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No.	878	Press
		Mis.
Dated	30-3-48	18

Not to be folded or roughly handled

B

12

*Proceedings of the Madras Government, Public Works Department,
30th March 1864.*

No. 546. Read the following Proceedings of the Madras Government in the Educational Department, dated 18th March 1864, No. 90 :—

Read the following Proceedings of Government in the Public Works Department.
(Here enter 23rd February 1864, No. 542.)

Under the views recorded in the Proceedings of Government in the Financial Department, dated the 5th instant, No. 155, the Governor in Council cannot permit any portion of the Educational Building Fund to be diverted to purposes other than those to which it has been ordered to be applied.

(True Extract.)
(Signed) W. H. KERR,
Deputy Secretary to Government.

To the Public Works Department with a copy of the Financial Proceedings, dated 5th March 1864, No. 155.

No. 547. ORDER THEREON, 30th March 1864, No. 878.

Communicated to the Superintending Engineer, 7th Division, with reference to paragraph 30 of Proceedings of Government No. 542, dated 23rd February 1864.

(True Extract.)

(Signed) CHARLES A. ORR, Colonel, R. E.,
Secretary to Government.

To the Superintending Engineer, 7th Division.

Erd. S. T. Augustin.

21

*Proceedings of the Madras Government, Financial Department,
5th March 1864.*

No. 15. Read again Proceedings of the Government of India, Financial Department, dated 27th August 1863, No. 4095, and recorded in Proceedings, dated 3rd October 1863, No. 641.

No. 16. Read also the following letter from J. L. LUSHINGTON, Esq., Acting Deputy Auditor and Accountant General; to A. J. ARBUTHNOT, Esq., Chief Secretary to Government, Fort Saint George, dated 11th February 1864, No. 377.
Budget and Finance Department.

With reference to the Financial Resolution of the Government of India, No. 4095, dated the 27th August last, I have the honor to forward herewith, for transmission to them, an estimate of the expected Receipts and Disbursements in 1864-65 on account of the Educational Building Fund, with a request that the necessary additions may be made in the Budget Estimates forwarded from this office on the 16th and 23rd ultimo, at which time this office was not in possession of the required information.

No. 17. ORDER THEREON, 5th March 1864, No. 155.

In their Resolution of the 27th August last, No. 4095, the Government of India directed the abolition of the Educational Building Fund in this Presidency, and the cancelment of the Non-transferable Treasury Note for Rupees 10,00,000, from the interest on which the expenditure on Educational buildings in this Presidency has been hitherto provided.

2. The Governor in Council resolves to bring to the notice of His Excellency the Governor General in Council the following circumstances which, in his opinion, render it inadvisable that the above orders should be carried out.

3. In 1843 and the three following years the Madras Government were engaged in a correspondence with the Supreme Government regarding the measures to be adopted for disconnecting itself from the management of the Native religious institutions of the country. Among other questions which had to be determined, was the course to be taken with reference to the funds in deposit in the Government Treasuries to the credit of Religious Institutions, the management of which had been transferred to Native administrators, and of which there was a surplus amounting to Rupees 10,80,468-7-3.

4. In Mr. Bushby's letter of the 20th September 1845, the Government of India directed that this surplus, which had accrued from an excess in the endowments above what was needed for keeping the temples, &c. in repair, and for the due performance of the services and duties intended by the founder, should be held at the absolute disposal of the State, and should be "regarded as a fund to be devoted to the public benefit in works of general utility; preference being given, as to the locality where the surplus was to be expended, to the neighbourhood from which it was derived; and the education of the people being held forth as the most legitimate object to which it should be applied." The Madras Government accordingly directed, in their Orders of the 14th July 1846, that of the entire sum, Rupees 8,00,000 "should be transferred by the Accountant General to the General Education Fund of the Presidency, for the purposes of education in the Provinces." At that time the Educational expenditure of this Government was provided for by an annual grant of Rupees 50,000 sanctioned in 1828; and when the Education Despatch of 1854 was issued, the unexpended balance of the annual grant in question, and of the Rupees 8,00,000 of the surplus Pagoda Funds which had been added to it, amounted to more than Rupees 10,00,000.

5. In a Despatch under date the 30th August 1854, the late Court of Directors directed that the expense of the University and College buildings at Madras should be defrayed out of the accumulations standing to the credit of Education, and that the cost of any other buildings for the purposes of education, which might be erected at the public expense, should be adjusted in the same manner. The Accountant General was accordingly directed, under date the 18th December 1855, to place the accumulations in question, as they stood at the date of the Court's Despatch, to a separate head in his accounts, for the construction of Educational buildings, and to debit them with all expenditure on that behalf that had been incurred since the date of the Court's

*Proceedings of the Madras Government, Financial Department,
5th March 1864.*

orders or might be incurred hereafter, submitting yearly accounts for the information of Government. On the 30th April 1855, the fund thus created amounted to Rupees 10,60,615-14-9; and in the following year, at the suggestion of the late Director of Public Instruction, concurred in by the Accountant General, the latter officer was directed to invest Rupees 10,00,000 of the accumulated funds in Non-transferable Treasury Notes bearing interest at 4 per cent. per annum. Since that time, all charges incurred in the construction of Educational buildings have been debited to that fund. In July 1861, the Secretary of State directed that the unexpended balance of the interest should not be carried on to the credit of the fund from year to year. The balance at the present time is estimated at Rupees 11,07,000, including the amount of the Non-transferable Treasury Note.

6. The Governor in Council apprehends that the circumstances under which this fund has been formed, must have been overlooked by the Government of India when they passed the Resolution adverted to at the commencement of this order. He cannot think that it would be advisable to merge the fund thus formed in the general Cash balances of the State, or to take any step which might give color to the supposition that it was the intention of the Government to appropriate the balance of the Pagoda funds to any other purpose than those to which in 1846 it was ordered to be applied. It should, he thinks, be treated, as it has been hitherto, as a local fund and separately accounted for in the Public Accounts. In the hope that, under this explanation, the Government of India will re-call their order for the abolition of the fund, the annual charge of Rupees 40,000 on account of interest on the Non-transferable Note has been entered under "G, Interest" of the Budget Estimate of charges for 1864-65, and the estimated disbursements on Educational buildings will be provided for in the Local Fund Estimate.

7. The Supplemental Estimates received with the Accountant General's letter above recorded will be returned to that officer, and he will be requested to exhibit the Receipts* and Disbursements from the Educational Building Fund in the Local Fund Budget Estimate for 1864-65, now under preparation for transmission to the Government of India, a reduction being made in the estimated disbursements under the head of "Grants-in-aid" to bring the charges to the level of the receipts.

(True Extract.)

(Signed) A. J. Munro
Chief Secretary.

To the Acting Deputy Auditor and Accountant General,
with three Estimates returned.
,, Director of Public Instruction.

Exd. J. Talloch.

PROCEEDINGS of the MADRAS GOVERNMENT.

*Read the following Proceedings
of Government in the Public Works Department.*

/Here enter 23rd February 1864 N: 512./

Order thereon 18th March 1864 N: 90

*Under the views recorded in
the Proceedings of Government in the Financial
Department dated the 5th Instant N: 135
the Governor in Council cannot permit
any portion of the Educational Building
Fund to be diverted to purposes other
than those to which it has been ordered
to be applied.*

/True Extract/

W. A. Kerr
Deputy Secy to Govt.

*To
The Public Works Department
with a copy of the Financial
Proceedings dated 5th March 1864 N: 135.*

W. H. Maresca

1562-21815

1561

186 Department.

W. J. P.
Chief Clerk for Present
No. 12605

PROCEEDINGS OF GOVERNMENT.

Educational Department

Dated 15th March, 1864
No. 21

E. J. P.

*Order that in con-
-tion of the Ed. Department
the be directed to purchase
the same there to be it
has been ordered the order.*

210878-304 March 11.

With an Order

210878.

Communicated to the Super.

unfolding Enquiries of the Division with

reference to the 30th of the 1864

and the 28th of the 28th of the 1864

1864.

Reference to the 30th of the 1864

W. J. P.

To the Superintendent of the Division of the 1864

Ref. 30th of the 1864

210878-304