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MADRAS RECORD OFFICE.

Government of Madras.

Public Works DEPARTMENT.

G.O. No. 2043 Press Mis.

69-70

Dated 8—8— 1871.

Not to be folded or roughly handled

Proceedings of the Madras Government, Public Works Department,
8th August 1871.

No. 69. Read the following Proceedings of the Government of India in the Public Works Department, (Account—Railway,) dated Simla, 17th July 1871, No. 437 A—R —

Forms in which Railway Budget Estimate are to be prepared.

Read again—

Public Works Department Circular No 10-R of 29th April 1868.

RESOLUTION.—The form in which the Guaranteed Railway Budget Estimates have hitherto been submitted is susceptible of improvement; and it is very desirable that one uniform system should be prescribed in order to facilitate the consideration of the financial questions involved, and to enable the relative urgency of different works for which funds are desired to be clearly comprehended.

2. The estimate for 1871-72, submitted by the Government of Bombay, was very carefully drawn up, and was very complete. The details of the proposed outlay on construction and of the probable working expenditure were clearly shown, and a specific money sanction could be given to each under proper heads. The Governor-General in Council is of opinion that the forms adopted by the Government of Bombay may, with very slight modifications, be generally followed, and is accordingly pleased to lay down the following rules for guidance in the preparation of future Budget Estimates of Guaranteed Railways.

3. The estimated expenditure on land and on the Government Controlling Establishment in connection with Guaranteed Railways should be shown as at present.

4. As regards *Capital Expenditure*, a schedule of all works estimated to cost more than Rs. 5,000 each should be given, showing, in Schedule A attached to this Resolution—

(1) the amount of the sanctioned estimate;
(2) the expenditure up to the end of the past official year;
(3) the probable expenditure within the current official year;
(4) the estimated outlay during the coming official year;

each head showing separately the cash outlay in India, and the value of the stores already in stock in India, or to be obtained from England

5. For minor works, costing less than Rupees 5,000 each, lump sums should be shown as the estimated outlay in each district, or at each large station. These will appear in Schedule C. Under the orders recently issued (Public Works Department Resolution No. 49—54 A—R of 1871), there can be no new items of this nature for lines, or portions of lines, open for more than two years, except in connection with the Revenue portion of the Budget Estimate as mentioned further on. And with reference to sanctions against Capital given to such minor works within two years from date of opening, it is now prescribed that all sanctions for such minor works shall absolutely lapse at the end of one year from the date of sanction, and all sanctions for major works shall lapse at the end of two years from date of sanction, unless otherwise ordered at the time of sanction.

6. A separate Schedule B, in the same form, should be given of all unsanctioned works for which estimates will probably be submitted in the course of the year, with a statement of the probable expenditure thereon, in order that the

necessary funds may be provided for the prosecution of the works after proper sanction shall have been accorded. A further small reserve should be applied for to meet unforeseen contingencies, such as excesses over estimates, etc., and included in Schedule B.

7. The Budget Estimate for the outlay of capital in the Locomotive and Carriage and Wagon Departments should be prepared in a similar form; the transactions relating to each batch of locomotives, or to each batch of each description of vehicle, being treated separately.

8. An estimate of the establishment charges should also be prepared showing the probable amount that will be debited to Capital and Revenue under each main head Schedule D. The Capital portion of the establishment outlay should be exhibited in the Capital abstract estimate.

9. An estimate should also be prepared for the probable outlay on account of stores, Schedule E.

10. The probable payments into the Government Treasuries during the official year should also be estimated under the heads—

Capital paid up in India,
Refunds, etc.

The latter of these heads should contain all amounts received for sale proceeds of stores and payments from Revenue.

11. The whole of the estimated Indian transactions on Capital Account arrived at in the manner above described should be brought together as exhibited in the portion of the form attached headed the "Capital Account." The entries in the revenue portion of the same form should be arrived at in the manner detailed below.

12. The probable earnings under each of the main heads of receipts should be estimated, Schedule F, on the basis of the actual receipts of past year's, taken in conjunction with any alteration in the mileage open for traffic and the probable development of trade, etc. The estimate should therefore show the probable earnings under each of the main heads—

Coaching traffic;
Goods traffic;
Electric Telegraph earnings;
Steam-boat earnings;
Sundries.

13. In preparing the Budget Estimate of *Revenue Expenditure*, provision should be made, Schedule G, under each sub-head of the prescribed form of Revenue Account for the probable outlay thereon. A Schedule of all new works or improvements in excess of Rupees 1,000, with lump sums for the estimated outlay on works costing less than that sum in each district or at each large station, should be attached to this. With regard to such items as manifestly vary with a changeable traffic, that is, with the train mileage, a mileage-rate should be assumed in making the estimate.

14. At present it is the custom on some Railways to hold half-yearly meetings for the authorization of Establishments. Attached to the Budget estimate, as now prescribed, there should be a list of present and proposed Establishment, Schedule D alluded to above, with a statement of the expenditure

during the current year, and an estimate of the expenditure during the coming year, on which appropriations can be made, and which must cover the cost of the service for the year. This list should be so drawn up as to include the numbers of the petty establishment entertained by each department, and should indicate the proportions debitable to Capital and Revenue, respectively. Any specific proposals for new appointments or increases of pay will be separately dealt with; but in order to enable these to take effect within the year in which sanction is accorded to them, their necessity must be foreseen, and an appropriation of money in the budget grant obtained.

15. *Transfers—Capital.*—No transfer of the funds allotted to one work should be made to another work without the previous sanction of the Local Government, and all transfers that may be so sanctioned should be reported month by month to the Government of India.

16. *Transfers—Revenue*—Transfers which may be made from one sub-head to another under the same main-head should be recorded at official meetings, but all transfers from one main-head to another should receive the previous sanction of the Local Government. If the funds allotted to any service should appear to be insufficient, and if the necessary transfer cannot be made from the grant for another head of service, timely application for an additional grant, supported by the needful details, should be made, as soon as the necessity is foreseen, to the Government of India.

17. The State Railway Budget Estimates should be prepared in a similar manner, due allowance being made for the difference of procedure followed in keeping the State Railway Accounts.

ORDER.—Ordered, that a copy of this Resolution, with copies of the Bombay Railway Budget Estimate for 1870-71, be forwarded to the Local Governments and Administrations noted in the margin, for information and guidance.

Madras	British Burmah
Bombay.	Central Provinces
Bengal	Mysore
North-Western Provinces	Hyderabad
Punjab.	Central India
Oudh.	Rajpootana.

Also, that a copy of this Resolution be forwarded to the Financial Department for information.

(Signed) C. H. DICKENS, Colonel, R.A.,
Secretary to the Govt. of India.

No. 70. ORDER THEREON, 8th August 1871, No. 2,043.

RAILWAY, No. 5.

COMMUNICATED to the Consulting Engineer for Railways for information and guidance.

(True Extract)

Captain, R.E.,
Under Secretary to Government.

To the Acting Consulting Engineer for Railways.

Exd. S. T. Augustin.

No. 437 A—R.

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
Railway.

SIMLA, JULY 17, 1871.

Forms in which Railway Budget-Estimates are to be prepared.

READ again—

Public Works Department Circular No 10 R of 29th April 1868

RESOLUTION.—The form in which the Guaranteed Railway Budget-Estimates have hitherto been submitted is susceptible of improvement; and it is very desirable that one uniform system should be prescribed, in order to facilitate the consideration of the financial questions involved, and to enable the relative urgency of different works for which funds are desired to be clearly comprehended.

2. The Estimate for 1871-72, submitted by the Government of Bombay, was very carefully drawn up, and was very complete The details of the proposed outlay on construction and of the probable working expenditure were clearly shown, and a specific money sanction could be given to each under proper heads. The Governor General in Council is of opinion that the forms adopted by the Government of Bombay may, with very slight modifications, be generally followed, and is accordingly pleased to lay down the following rules for guidance in the preparation of future Budget-Estimates of Guaranteed Railways.

3. The estimated expenditure on land and on the Government Controlling Establishment in connection with Guaranteed Railways should be shown as at present.

4. As regards *Capital expenditure*, a schedule of all works estimated to cost more than Rs. 5,000 each should be given, showing, in Schedule A attached to this Resolution—

(1) the amount of the sanctioned estimate;
(2) the expenditure up to the end of the past official year;
(3) the probable expenditure within the current official year,
(4) the estimated outlay during the coming official year;

each head showing separately the cash outlay in India, and the value of the stores already in stock in India, or to be obtained from England.

5. For minor works, costing less than Rs. 5,000 each, lump sums should be shown as the estimated outlay in each District, or at each large Station. These will appear in Schedule C. Under the orders recently issued (Public Works Department Resolution No. 49—54 A—R of 1871), there can be no new items of this nature for lines, or portions of lines, open for more than two years, except in connection with the Revenue portion of the Budget-Estimate as mentioned further on. And with reference to sanctions against Capital given to such minor works within two years from date of

opening, it is now prescribed that all sanctions for such minor works shall absolutely lapse at the end of one year from the date of sanction, and all sanctions for major works shall lapse at the end of two years from date of sanction, unless otherwise ordered at the time of sanction.

6. A separate Schedule B, in the same form, should be given of all unsanctioned works for which estimates will probably be submitted in the course of the year, with a statement of the probable expenditure thereon, in order that the necessary funds may be provided for the prosecution of the works after proper sanction shall have been accorded. A further small reserve should be applied for to meet unforeseen contingencies, such as excesses over estimates, &c., and included in Schedule B.

7. The Budget-Estimate for the outlay of capital in the Locomotive and Carriage and Wagon Departments should be prepared in a similar form; the transactions relating to each batch of locomotives, or to each batch of each description of vehicle, being treated separately.

8. An estimate of the establishment charges should also be prepared showing the probable amount that will be debited to Capital and Revenue under each main head Schedule D. The Capital portion of the establishment outlay should be exhibited in the Capital abstract estimate.

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10 The probable payments into the Government Treasuries during the official year should also be estimated under the heads—

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11. The whole of the estimated Indian transactions on Capital Account arrived at in the manner above described should be brought together as exhibited in the portion of the form attached headed the "Capital Account" The entries in the revenue portion of the same form should be arrived at in the manner detailed below.

12. The probable earnings under each of the main heads of receipts should be estimated, Schedule F, on the basis of the actual receipts of past years, taken in conjunction with any alteration in the mileage open for traffic and the probable development of trade, &c. The estimate should therefore show the probable earnings under each of the main heads—

Coaching traffic;
Goods traffic;
Electric Telegraph earnings;
Steam-boat earnings;
Sundries;

13. In preparing the Budget-Estimate of *Revenue expenditure*, provision should be made, Schedule G, under each sub-head of the prescribed form of Revenue Account for the probable outlay thereon. A schedule of all new works or improvements in excess of Rs. 1,000, with lump sums for the estimated outlay on works costing less than that sum in each District or at each large Station, should be attached to this. With regard to such items as manifestly vary with a changeable traffic, that is, with the train mileage, a mileage-rate should be assumed in making the estimate.

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Estimate, as now prescribed, there should be a list of present and proposed Establishment, Schedule D alluded to above, with a statement of the expenditure during the current year, and an estimate of the expenditure during the coming year, on which appropriations can be made, and which must cover the cost of the service for the year. This list should be so drawn up as to include the numbers of the petty Establishment entertained by each Department, and should indicate the proportions debitable to Capital and Revenue, respectively. Any specific proposals for new appointments or increases of pay will be separately dealt with; but in order to enable these to take effect within the year in which sanction is accorded to them, their necessity must be foreseen, and an appropriation of money in the budget grant obtained.

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Bombay	Central Provinces
Bengal	Mysore
North Western Provinces.	Hyderabad
Punjab.	Central India.
Oudh	Rajpootana.

Also, that a copy of this Resolution be forwarded to the Financial Department for information.

(Signed) C. H. DICKENS, *Colonel, R. A.*,
Secretary to the Govt. of India.

Colonel,
In charge of the P. W. Dept., at the Presidency.

To
The Secretary to Govt of Madras
in the Public Works Deptt
Railway Branch

R. 1871 Dept

No 3677.

GOVERNMENT OF INDIA

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
Railway

To

No. 437 A—R.

Dated SIMLA, *July* 17, 1871.

Received 1st August 71

Encl: Nos.

Prescribes Forms in which Railway Budget-Estimates are in future to be prepared.

P. W. D Press—22 7-71—130.

No 2043-8 Aug 71
Forth order.

Rec'd 8 June 68 Pp 141-142

Mr Campbell Jones
8 Aug 1871

Communicated
Engineer for Railways
and Mr Rance.

No 2043.

Mr Campbell
for information
Rec'd

Rec'd 12 Aug 71

Mr Campbell to see Letter No 1078 of 71
from Madras 20 July 71 and Letter No 2043 of 8 Aug 71

G.G. 3677

Govt. of 1871 Works.

PUBLIC WORKS.

To The Secretary Engr for Railways

Dated

Recd

G.O. 8 August No. 2043.

Nos. 6970

Forms (Railway) Circular from Secretary of India prescribing forms in which Railway Budget Estimates are in future to be prepared communicated to the Consulting Engineer.