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MADRAS RECORD OFFICE

Government of Madras

Public Works

DEPARTMENT

G.O. No.	1279	Press
B.P. No.		Mis.
181-182		
Dated	8 4	1873

Not to be folded or roughly handled

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No. 40-1 A-I.
GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
ACCOUNT.
Irrigation.

FORT WILLIAM, MARCH 4, 1873.

*Orders on the Budget-Estimate of the Madras Irrigation and Canal Company
for 1873-74.*

Read :—

Letter from Secretary to Government of Madras, No. 455, dated 11th February 1873.

RESOLUTION.—Under the head State Expenditure, the estimate submitted amounts to Rs. 14,000, thus distributed, as compared with the grant for 1872-73—

	1873-74.	1872-73.
	Ra.	Ra.
Establishment	6,000	5,000
Purchase of land	8,000	11,000
Total	14,000	16,000

The estimate is passed on the distinct understanding that no outlay is incurred against the provision therein made for the items noted in the margin, unless with the sanction of the Government of India, which has still to be applied for. In applying for this sanction, the opportunity should be taken to submit for final approval the scale of establishment as now reduced for the State control of the operations of the Madras Irrigation and Canal Company.

2. The provision for Capital expenditure, amounting to Rs. 52,500, is allowed, the funds for the purpose being provided out of the cash balance in the hands of the Agent in India.

3. Under Revenue the estimate is as follows :—

	Actual deficit to end of 1871-72.	Budget- Estimate, 1872-73.	Regular- Estimate, 1872-73.	Budget- Estimate, 1873-74.
	Ra.	Ra.	Ra.	Ra.
Receipts	...	...	35,613	1,00,000
Expenses	...	...	96,171	1,74,200
Net deficit	35,150	...	60,558	74,200

4. The amount shown in the Finance and Revenue Accounts as net receipts to be applied in reduction in charge for Guaranteed interest, or net

deficit to be added to charge for Guaranteed interest, on account of this Company has been as follows year by year since 1868-69 :-

	Net traffic receipts applied in reduction of charge for guaranteed interest.	Net deficit added to charge for guaranteed interest.
	Rs.	Rs.
1868-69	10,183	...
1869-70	10,027	...
1870-71	742	...
1871-72	...	82,047
	<u>20,952</u>	<u>82,047</u>
Deduct ...	...	20,952
Net deficit ...	...	<u>61,095</u>

This amount does not correspond with the deficit* shown in Statement III of the Returns rendered by the

• Balance against Revenue on 1st January 1872 ...	19,579
Charges from 1st January to 31st March " ...	20,000
	<u>39,579</u>
Less receipts from 1st January to 31st March 1872	4,129
	<u>35,450</u>

Government of Madras with the Budget-Estimate, and an explanation of the cause of the discrepancy is therefore requested.

5. The Regular-Estimate for 1872-73 submitted by the Government of Madras may be accepted for the following even sums :-

	Rs.
Receipts	36,000
Expense	36,000
Deficit ...	<u>60,000</u>

6. But as regards the estimate for 1873-74, the Government of India cannot consider the circumstances of the case justify the assumption that the receipts from the canal will increase from Rs. 36,000 in 1872-73, to Rs. 1,00,000 in 1873-74. The highest receipt in any one year previous to 1871 was Rs. 25,160, and for 1872-73 it would not be prudent to anticipate a larger income than Rs. 50,000; and the estimate for 1873-74 will, therefore, be reduced accordingly, the expenses being taken at Rs. 1,70,000, so that the net result will be—

	Rs.
Receipts	50,000
Expenses	1,70,000
Deficit ...	<u>1,20,000</u>

The question as to whether the deficits will have to be recovered from the guaranteed interest payable, will be referred again to the Secretary of State for orders. Meanwhile, the Government of India must beg of the Government of Madras to take such steps as may be possible to bring down the expenses. On this point particular attention is invited to Public Works Department letter No. 10 A—I, dated 11th January 1877, in which it was shown how the expenses were gradually increasing. The chief head in which reduction seems to be practicable is in the provision for general management, on which account a sum of Rs. 45,000 is provided. A detail of the items making up this provision is desirable, and should be furnished.

7. The probable deficit in 1872-73 and 1873-74 will be met, not

by a debit to the Ordinary Public Works grant, but in the same manner as the deficit of 1871-72 was met, viz., by debiting it to the charge for Guaranteed interest. No provision will, therefore, be necessary for the deficit from the Ordinary Agricultural grant, and the addition of Rs. 50,000 promised by the Government of India to that grant for 1872-73 will, therefore, be unnecessary, and should be written back from the Budget Register of the Controller's Office.

ORDER.—Ordered, that this Resolution be communicated to the Government of Madras for information and guidance.

Ordered also, that a copy, together with a copy of Public Works Department letter No. 10 A—I, dated 11th January 1873, be forwarded to the Financial Department for information, with the intimation that the provision of Rs. 14,000 for State outlay for 1873-74 will be provided for from the Ordinary Public Works grant, and that the sums noted in the margin should be deducted from the estimates of net Traffic receipts for 1872-73 and 1873-74.

Regular Estimate, 1872-73	£
Budget " 1873-74	6,000
	12,000

(W. Dickson) Colonel, R. A.,
Secy. to the Govt. of India.

N. 40 A I.

The Secretary to the Government of Madras
P. W. Department
Irrigation Branch.

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Public Works 1873 Defatted
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GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.
ACCOUNT.
Irrigation.

No. 40-I A-I.

Dated March 4, 1873.

Received *March 27*

Order on the Budget-Estimate of the Madras
Irrigation and Canal Company for 1873-74.
P. W. D. Press-5373-48.

No. 1049 *Madras P. W. D. 3*
Proceedings of the Madras Govt.
Read the following:
From.
The Govt. of India. (H. E. Secy to L. A. S. of 4th March 1873.)

Communicated to the
Chief Engineer for Irrigation,
who will, with reference to
Para 1, submit the necessary
proposals for submission to
the Government of India. It
will be seen that no outlay
is to be incurred until the
final sanction of that Govt.
has been received.

Let Col Mullins will
furnish the explanation called
for in Para 4 regarding the
discrepancy supposed to exist
in the Revenue Estimate.
He will give his careful
attention to the question of

the reduction of working
expenses, and submit a
detailed statement of the
items making up the pro-
-vision of \$5,000 on ac-
count of ~~the~~ ^{General} Management
The Controller's
attention is drawn to the
instructions in Para 7.

G.M.

181-82.

Charges for Druggists
Controller of P. H. A.
Examiners of the Companies
J. H. de la Roche - 8-7
P. C. - 10-7-82

1874-82

