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MADRAS RECORD OFFICE

Government of Madras

Public Works DEPARTMENT

G.O. No.	3346-47	Press
B.P. No.		Mis.
Dated	9 - 12	1957
		1876

Original

Not to be folded or roughly handled

*Proceedings of the Madras Government, Public Works Department,
9th December 1876. No. 3,316.*

No. 219. Read the following Proceedings of the Government of India in the Public Works Department, (Account—General,) dated Fort William, 17th November 1876, Nos. 975—89 A—G :—

Restriction of outlay on Public Works.

Read the following—

RESOLUTION,—By the Government of India, Financial Department, dated 31st July 1876, No. 1,967.

Read again—

The estimates of the Revenues and Expenditure of British India in 1876-77.

RESOLUTION.—The embarrassment occasioned to the finances of this Empire by the present disturbance in the relative values of gold and silver has, for some time past, been under the anxious consideration of the Viceroy and Governor-General in Council; and His Excellency has been led by such consideration to the conclusion that it is now advisable to notify to the Local Governments the wishes of the Government of India in regard to those preliminary measures of retrenchment and economy which are necessitated by the immediate exigencies of the financial situation.

2. It was a part of the budget arrangements of this year that the Secretary of State in Council should borrow in England £2,640,000 for the construction of Extraordinary Public Works. An incidental effect of that arrangement was to reduce, by the above-mentioned sum, the amount that must otherwise have been raised by bills for the supply of the Home Treasury, and, according to the rate of exchange assumed in the estimates, viz., Rupee 1 = 1s. 8½d., to diminish the entry under *Loss by Exchange* and improve the nominal balance of the year by Rupees 45,00,000. Notwithstanding this and other advantages the surplus revenue of the year was estimated at only Rupees 14,40,000.

3. It was calculated at that time that the supply of £13,660,000 to the Home Treasury by bills would cost Rupees 15,99,20,000; and accordingly the sum of Rupees 2,33,20,000 was provided under the adjusting head *Loss by Exchange*. Subsequently however to the publication of the estimates the Secretary of State found it convenient to increase the amount borrowed in England to £4,000,000. The incidental relief to the estimates of the year from this source would thus be, if the rate of exchange could be calculated as before, Rupees 68,30,000. The relief obtained may now be estimated at a much larger sum. In judging of the financial position and future prospects of the Government of India, it is necessary to bear this fact in mind.

4. The sum to be raised in England having been thus increased, the amount to be supplied to the Home Treasury, by bills, during the year is now reduced to £12,300,000, of which £3,344,134 have been obtained to date, by the sale of bills for Rupees 4,06,10,000, the adjustment entered under *Loss by Exchange* being, already, Rupees 71,68,660.

5. It is at present impossible to frame any approximate estimate of the cost, in rupees, of supplying to the Home Treasury the sum of £8,956,446 which still remains to be raised by bills: but the Government of India cannot now expect that the whole entry under *Loss by Exchange* will not be largely in excess of the grant.

6. Moreover, the prospects of the customs revenue are, by reason of the adverse exchange, unfavorable; the charge for interest will be increased for the increased amount borrowed in England; and the cost of the unprecedentedly large opium crop in Bengal is expected to cause the expenditure under *Opium* to exceed the grant by about Rupees 50,00,000; although there will, of course, be a corresponding addition to the opium in reserve.

7. Altogether, the financial prospects give cause for such grave anxiety, that the Governor-General in Council deems it necessary to invite the earnest co-operation of the Local Governments and Heads of Departments in reducing, by every possible means, the threatened deficit.

8. The authorities at the head of each department, whether administered by the Imperial or Local Governments, should, therefore, take prompt measures to stop all outlay of public money which is not absolutely necessary; or to which the Government is not committed; or the discontinuance of which will not cause disproportionate loss and waste. An early report should be made to the Government of India in the Financial Department of the measures adopted for giving effect to these instructions, and of the saving which may be expected under each Government and in each Department. The Governor-General in Council will be unable to sanction any new expenditure that is not indispensable.

9. The financial disorder which demands these measures is exclusively due to the recent rapid fall of the value of silver in relation to gold, and the consequent enhancement of the cost in silver of all payments in gold. The Governor-General in Council is not prepared, at present, to say what measures the Government of India may be compelled to take, in order to permanently restore the financial equilibrium; but pending the adoption of such measures, it is incumbent on His Excellency in Council to warn all Local Governments that he may be reluctantly compelled to call upon them for sacrifices which, if requisite for the public welfare, those Governments will, he feels assured, be ready to accept in the loyal and generous spirit evinced by them on previous occasions of great financial pressure.

10. The Governor-General in Council has resolved, for the present, largely to reduce the expenditure on Extraordinary Public Works, and, in regard to many of the measures which may be necessary to effect that object, he confides in the valuable assistance of the Local Governments.

11. Moreover, the means at the disposal of the Government of India for granting loans to Municipal and other Corporations, and to Native States or private persons are, so long as the present state of things last, likely to be limited; and, therefore, no application for such loans should be made or forwarded by any Government officer, except for purposes which admit of no postponement.

ORDERED, that this Resolution be distributed for information and guidance—

To the several Departments of the Government of India;

To the several Local Governments and Administrations;

To the Comptroller-General and the several Accountants-General and Deputy Accountants-General in independent charge;

Also to the several Chiefs of the Departments administered by the Government of India in the Financial Department.

RESOLUTION.—In view to admit of a decision being arrived at of the exact steps to be taken to give effect to the restriction of outlay rendered necessary by the adverse rate of exchange, the Government of India considers it necessary to know the precise sum which can be made available from the Ordinary grant for Public Works for 1876-77. In this view, the Government of India requests that a statement may be furnished by each Local Government and Administration showing the grants for works included in the Budget Estimate for 1876-77, but which will not be commenced before the 1st December 1876, distinguishing those which, if commenced on that date, cannot be completed by the end of the official year from those which can be so completed. The return should reach the Government of India without fail by the end of the first week of December 1876, and should be accompanied by a detailed explanation showing the necessity for, and the urgency of, the several works entered in the statement.

2. These orders do not affect Extraordinary Works, nor are they applicable to works in progress and repairs.

The Governments of Madras, Bombay, Bengal, North-Western Provinces and the Punjab, in the Public Works Department.
The Chief Commissioners of Oudh, Central Provinces, British Burmah, Mysore and Coorg, and Assam.
The Resident at Hyderabad.
The Agents to the Governor-General for Central India and Rajpootana.
The Superintendent of Port Blair and Chief Commissioner, Andaman and Nicobar Islands.
The Inspector-General of Military Works.

ORDER.—Ordered, that this Resolution be forwarded to the Local Governments and Administrations and officers noted in the margin for information and guidance.

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

No. 220.

ORDER THEREON, 9th December 1876, No. 3,346.

ACCOUNT, No. 14.

ORDERED that a statement of the sums which can be surrendered from the Ordinary Grant, Imperial, be furnished

to the Government of India, and that a copy be furnished to the Financial Department in supersession of the list already supplied.

(Here enter No. 3,347, dated 9th December 1876.)

(True Extract.)

Major-General, R.E.,
Secretary to Government.

To the Financial Department,
To District Engineers concerned,
To the Examiner of Public Works Accounts, } with List.
„ Revenue Department,

Exd. S. T. Austin.

Spare Copies

PUBLIC WORKS DEPARTMENT,
FORT ST. GEORGE, 9th December 1876.

No. 221.

No. 3,347.

FROM

MAJOR-GENERAL G. W. WALKER, R.E.,
Secretary to the Government of Madras,
Public Works Department,

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA,
Public Works Department.

ACCOUNT, No. 15.

SIR,—I am directed to acknowledge the receipt of the Resolution of the Government of India, under date the 17th November 1876, No. 975—89 A—G, calling for a statement of the sums which can be surrendered under Ordinary during the current official year in order to relieve the present financial embarrassment. In reply I am to forward the accompanying statement showing the amount which His Grace the Governor in Council has withdrawn from the appropriations for works after consideration in detail of the items in the Imperial Budget. It will be observed that it is proposed to surrender in the aggregate a sum of Rupees 1,50,000 out of a total grant of Rupees 3,51,730 for Major works. A statement showing the surrenders under Ordinary Irrigation will be separately submitted.

I have the honor to be,

Sir,

Your most obedient servant,

Major-General, R.E.,
Secretary to Government.

Exd. S. T. Austin.

Spare Copies

Statement to accompany G.O., No. 3,346 of 9th December 1876, showing the sums that can be made available from the Ordinary Grant for 1876-77.

Budget Item No.	Name of Work.	Budget Allotment.	Amount Surrendered.	Remarks.
	<i>Military.</i>	RS.	RS.	
1.	Conversion of the Public Works Workshop buildings at Chepauk into a Military Hospital.	85,000	70,000	Work not to be commenced. Balance Rupees 15,000 is required to meet liabilities already incurred in connection with other works.
9.	Third Story for the quarters of the Commissary of Ordnance in Fort St. George.	7,000	7,000	Work not to be commenced.
3.	Drainage of Agram Barracks at Bangalore.	15,000	6,242	The balance of the grant, viz., Rupees 8,758, is required to meet outlay already incurred and to place the work in a safe condition. It will be recommenced next year.
11.	Garrison Gymnasium at Bangalore.	10,000	7,658	The above remarks apply to this item.
12.	One block of Stables for Cavalry at Bangalore.	20,000	20,000	Work not to be commenced.
	<i>Civil Buildings.</i>			
51.	Post Office at Tellicherry ...	3,000	2,325	Do. do. Out of the balance Rs. 230 have been transferred to Itchapore Post Office and Rupees 445 is required for the Gudur Post Office.
	<i>Salt Works.</i>			
4.	The Harigoshti Project ...	32,490	32,490	Work not to be commenced.
	Other Salt Works ...	26,670	4,285	Items will be specified hereafter.
	Total ...	...	1,50,000	

Proposals for reduction of Budget Grants -

1. Imperial - Irrigation.

Final issue of this Budget has not yet been made. Many of the entries in the Preliminary issue were to complete work $\frac{2}{3}$ or $\frac{3}{4}$ finished up to 31st March and most of the money so allotted will have been spent in all April, May, and June - Reductions in such cases are either impossible, or would seriously entail eventual loss -

It is not proposed to disturb provision made for Minor Distributive Works, these will be immediately reproductively -

Repair Allotments having already been reduced $\frac{1}{11}$ Lakhs, further reduction is not advisable -

The grant for Minor New Work, is almost small, and the need of such work is urgent, that no reduction under this head is proposed.

The original demand was Rs. 34,87,195, of which the grant is not likely to amount even to 30 Lakhs; out of which nearly 1 lakh will have to be transferred from Work to salaries & charges in account of Mr. Wilson this establishment -

With remarks as above the Chief Engineer, for Mr. Gordon proposes reductions amounting Rs. 1,39,500, as per detailed statement No. 1 -

120,000
1,39,500
2,59,500
1,06,000
3,65,500
32,490
3,97,990

32,490

1,39,500

32,490

2. Imperial Military

But No. 2 has been discussed with 2nd Mr. Genl. and revised by M.S. The sum is fixed for Rs. 1,20,000 - Besides which the grant of 8 Lakhs has already been reduced $\frac{1}{2}$ lakh by provision of that amount for ^{reduction of} Balance in the course of the year -

The whole reduction has been effected under the head of New Work - Repairs cannot be retrenched, $2\frac{1}{2}$ Lakhs being an established minimum grant, absolutely required for maintenance -

The grant for Tools & Plant is very low -

Establishment cannot be reduced under any of the Imperial Military heads -

3. Imperial - Civil Buildings.

Only Rs. 25,000 - incapable of reduction

4. Imperial - Sub. (Sec 11:3)

This proposed to reduce the grant of Rs. 75,200 by Rs. 32,450. The allotment for the 'Korai Project', now under reference to the Govt. of Madras.

5. Provincial - Statement No. 3.

Reductions can only be effected by withdrawing in whole or in part the grants for works, the estimates for which have not yet been submitted for sanction; or which have only been commenced entirely and may be suspended without material loss. A late grant of $\frac{1}{2}$ lakh to the East Coast Canal is also included - Total reduction - Rs. 1,23,521

including 7 Lakhs for Major & Special Funds. Left to Govt. Rs. 1,23,521

<u>Eastern Delta Goravay</u>		
Ordinary	Bank Canal, L. Eastmunka	Railway 10,000
	Picavale Drain do	5,000
	Ellam Canal do	5,000
	<u>Western Delta</u>	
	Kakrapur Canal L. Eastmunka	5,000
Ordinary	Murapur Canal Martair Dock	12,000
	Bank Canal - Doddipulla do	15,000
	Total Salaries	47,000
<u>Kistna Eastern Delta</u>		
Ordinary	Ryals Canal - 2 accommodation bridges	2,500
	✓ do. L. Eastmunka -	20,000
Ordinary	<u>Chingebut</u>	
	Random water works -	10,000
	Chembumbamburam Tank	5,000
Extraordinary	<u>Thinnerly</u>	
	Thiruvannamalai Ancient Korumpollam Tank	15,000 - 15,000
Ordinary	<u>Kellu.</u>	
	Improving right embankment of Permain	
	Kurumankunda to Ancient. L. Eastmunka	10,000
	do do. Ancient to Sea	5,000
Extraordinary	Tools & Plant	
	Capital Extraordinary	
	Goravay Alt. (1/2) Miscellaneous Floating Plant.	15,000
Ordinary	C. - Ordinary	
	Kistna Delta - do - do -	10,000
		7. 2. 9. 25,000
		<u>Grand Total</u> 1,39,507
<u>Summary</u>		
Extraordinary 69,500		Ordinary 15,000
15,000		15,000
15,000		10,000
<u>99,500</u>		<u>40,000</u>

List of Grants proposed to be struck out from the
 Imperial Budget for 1876-77.

District	Budget Item.	Work	Amount to be with- drawn	Existing Grant
			No.	
Presidency	1	Conversion of the P. W. Workshops buildings at Chepauk into a Military Hospital	69,000	85,000.
Chingleput	2	New double-storied hospital for 90 patients with out-houses, at Panamallee	40,000	40,000
Bangalore	3	Drainage of Agram Barracks	9,000	15,000
Bellary	7	Water Supply Project	5,000	17,000
Presidency	9	Third Storey for the Quarters of the Com- missary of Ordnance in Fort St George	7,000	7,000
Bangalore	11	Garrison Gymnasium	10,000	10,000
D.	12	One block of Cavalry Stables	16,000	16,000
			20,000	20,000
		Total No.	1,60,000	

It is proposed to cancel the Al.
statement of Rs 6000 made in P.O.
No 1871 of 24th July.

11.8

see note of 11th June 1901

Provincial and Salt Budget List of Grants proposed to be struck out.

District	Budget Item	Work	Provincial Amount to be with- drawn	Special Amount to be with- drawn	Salt Amount to be with- drawn	Spiking Grant
Malabar	3	Accommodation for Sub Registrar at Cooragady	3000			3970
Do	4	Do Angerbandy	3000			3845
Thiruvool	20	District Jail at Thiruvool	9500			9500
Bellary	21	Improvements to District Jail	5000			15000
Trinnevelly	23	New Jail at Palamettah	18000			15000
Godavery	26	Police Head Quarters Office Rajahmundry	2650			2650
Shiksha	27	Police Buildings	1427			1427
Bellary	28	Do Do	250			250
Cuddapah	29	Do Do	2300			2300
Thiruvool	30	Do Do	800			800
Bellary	31	Do Do	1690			1690
N. Arcot	33	Do Do	2317			2317
Tanjore	36	Do Do	2045			2045
Coimbatore	38	Do Do	2808			2808
Neitgherries	39	Do Do	1054			1054
Madura	41	Do Do	160			160
Bellary	47	Anglo Vernacular School Ongole		8100		8100
Malabar	49	Do Do Chouphat		4420		4420
Godavery	51	Improving South of Mysore & Mysore Cooragady Harbour		5000		10000
Malabar	57	Additional Ward in domestic Asylum at Calicut	3000			3660
Madura	62	Sirumala Rajas Palace	5000			10000
Bellary	70	East Coast Canal	50000			150000
South Arcot	4	Harichocki Project	100,001		32490	32490
		Total	511,001	17,520	32,490	Salt
		Grand Total	123,521	17,520	32,490	

Understand & execute
to be the effect of the
list to be drawn from
the - funds to be
of the - funds to be
under, which right, which
to be in money of the

12. August 76.
1897

12. August 76.
Understand & execute
to be the effect of the
list to be drawn from
the - funds to be
of the - funds to be
under, which right, which
to be in money of the

40-3-5-76 1101
 " 20-6-76 1573
 " 21-6-76 1560
 " 23-6-76 1581 & 1582
 " 25-7-76 1895 & 1896
 " 31-7-76 1940
 " 3-8-76 1985
 " 11-8-76 1449
 " 16-8-76 2142
 " 8-9-76 2398
 " 3-11-76 2962
 " 28-11-76 3213

GOVERNMENT OF INDIA.
PUBLIC WORKS DEPARTMENT.

ACCOUNT. P.W.D.
General 22 NOV 76
No. 8468

To

The Governments of Madras, Bombay, Bengal,
 North Western Provinces, and the Punjab,
 in the Public Works Department.
 The Chief Commissioners of Oudh, Central
 Provinces, British Burmah, Mysore and
 Coorg, and Assam.
 The Resident at Hyderabad.
 The Agents to the Governor General for Central
 India and Rajpootana.
 The Superintendent of Port Blair and Chief
 Commissioner, Andaman and Nicobar
 Islands.
 The Inspector General of Military Works.

Nos. 975—89 A—G.

Dated November 17, 1876.

Received

96-9 December 76 No. 3346

No. 219

Restriction of outlay on Public Works.

No. 623, P. W. D. Press—17-11-76—605.

No 3346

Public Works Department.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

UNDER date the

Read the following:—

Resolution of the Govt. of India (H.E. No. 975-89 A.G. 17/11/76)

Ordered that a
 statement of the sums
 which can be carried over
 from the Ordinary Grant
 be furnished to the
 Government of India
 and that a copy be
 furnished to the Finan-
 cial Department
 in supervision of
 the list already supplied.

P. The Public Works Department
 of the Govt. of India
 Govt. of India
 with list. H.E. No. 3347 dated 9 Nov 76
 Recd. 19. 12. 76

18-12-76

Nov 24/77 to Dec 1/76.

To The Secy. to the Govt.
of India, S. B.
Sir,

I am directed to
acknowledge the receipt
of the Resolution of the
Government of India
under date the 17th Nov.
1876, No. 945-37 A. B. calling
for a statement of the
sums which can be
surrendered under ordinary
during the current official
year in order to relieve
the present financial
embarrassment. In
reply I am to forward
the accompanying statement

the

the amount which has
been the Government in
Council has withdrawn
from the appropriation
fund for works after
consideration in detail
of the items in the
Imperial Budget. It
will be observed that
it is proposed to
surrender in the
aggregate a sum of
Rs. ¹⁵⁰⁰⁰⁰~~143,394~~ out of a
total grant of Rs. 3,51,730
for Major works.
A statement showing
the surrenders under
ordinary irrigation will
be separately submitted.

MS with copy of statement
sent to Govt. of India
9th - 12 - 76

SC B. B. - 20 - 12 - 76

8268
Govt. of 1876 Madras.

PUBLIC WORKS.

To

The Hon. Secy. to Govt.

Dated

Issued

Recd.

Encl.

G. O., 9th December 1876, No.

3246

3247

Nos. 219/22

Forwarding from the Secy.
-ing Grant, Imperial in
1876-77. — Order
that the Statement showing
the — be furnished to
the Govt. of India.

Forwarding a Statement
showing the amounts
from the Imperial Submi-
-sion Grant for 1876-77.

N^o 219/22

8-12-76