

- (1) பக்கங்களின் எண்ணிக்கை 18
 (2) புதுக்கித் திருப்பிய நாள் 8/90
 (3) ஆதரங்குறிப்பவர் சுருக்கொப்பம் 6x

தமிழ்நாடு ஆவணக் காப்பகம்.

(21)

தமிழ்நாடு அரசு

P.W. ① துறை

அரசாணை எண். மு. கோப்புத் தாள் எண்.	928	அச்சகம் பலவகை
நாள் :	3 - 4 - 1891	198 .

மடிக்கவேண்டியபடி கையாளவோ கூடாது

2x

9. sheets

ஆவண. கா-1-18,006-15-6-87.

statement no 3

23RD FEBRUARY 1891, Nos. 144, 145, FINANCIAL.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper:—

From the Government of India, Department of Finance and Commerce, dated 18th December 1890, No. 5852.

ORDER—dated 23rd February 1891, No. 144, Financial.

In the letter read above, the Government of India, referring to the large expenditure incurred in excess of the aggregate grants for Provincial and Local services in 1889-90, draws attention to the rules which require that, in the case of every additional allotment not provided for in the original estimates, either a specific re-appropriation should be made from the sanctioned grants of the year, or the previous approval of the Government of India should be separately obtained for each such allotment.

2. An examination of the final accounts of 1889-90 shows that the excess expenditure in question amounted to 3.19 lakhs under *Provincial* and 8.37 under *Local*.

3. The first of these was entirely due to the extraordinary outlay in connection with the East Coast Railway survey (1 lakh) and the famine relief operations in Ganjam (4.36), neither of which was provided for in the sanctioned budget. It was difficult to forecast requirements under these items before the close of the year, and re-appropriations from existing grants or even from the 2 lakh reserve to such a large extent and for such abnormal expenditure were obviously impossible. The measures adopted in regard to both of them were, however, duly reported to, and cordially accepted by, the Government of India. The specific sanction of the Department of Finance and Commerce was also applied for in the form of a consolidated statement in the Proceedings of Government; No. 212, Financial, dated 13th March 1890.

4. The excess of 8.37 lakhs under *Local*, which occurred in the aggregate expenditure of the funds noted in the margin, was mainly due to inadequate budget provision arising from certain inherent defects in the existing system of compiling the budgets and accounts relating thereto.

Incorporated Local Funds.	Department controlling the expenditure.
1. Local Funds Act V of 1884 ..	Local and Municipal Department.
2. Canal and Ferry Fund ..	Revenue Department.
3. Village Service Fund ..	Do. do.
4. Irrigation Cess Fund ..	Do. do.
5. Road Fund, Bhadrachalam and Rikapalle taluks.	Judicial Department.

Accountant-General frames his own budgets for all these Local funds on the basis of past

actuals. These are embodied in the Civil estimates, and do not, therefore, represent the real programme of expenditure sanctioned in the several departments controlling the funds. To obviate this inconvenience, an abstract of the transactions under each fund will in future be annexed to the departmental budget, classified in the form adopted in the Finance accounts, and shown in the appendix to these Proceedings; the necessary instructions will be issued in the departments concerned to Collectors and Presidents of District Boards, who in preparing the abstracts will bring to the notice of the Accountant-General such amendments in his classification as may appear to be desirable.

5. *Local Funds Act V of 1884.*—The figures in the Civil estimates under this section do not include the reserve of 10 per cent. on the estimated receipts and the unappropriated balance of 5 per cent., which under the rules are usually provided for in the detailed budgets and from which expenditure is freely sanctioned during the course of the year. District Boards have now been authorised to sanction, without reference to Government, expenditure from the reserve and the surplus over estimated balances* up to a limit of Rs. 2,000 for each item. In future, therefore, not only will the Accountant-General's estimates under each head be fixed at a reasonable amount higher than the latest known actuals, but a reserve to meet unforeseen expenditure equivalent to the total of the ordinary reserve and balance in the detailed budgets will be provided under 32, Miscellaneous—Local. The amount so provided by the Local and Municipal Department for 1890-91 aggregates 5.31 lakhs, and a similar figure will be repeated by the Accountant-General in each succeeding year.

6. *Village Service Fund.*—The excess under 3, Land Revenue, which occurs in this section, is to some extent nominal, as the receipts under VI, Provincial rates, increase *pro tanto* in consequence of the gradual introduction of the scheme of the revision of village establishments, under which payments to the village staff are now made by fixed salaries and recoveries effected by means of the village cess. Thus the receipts in 1889-90 amounted to 28.84 against the original estimate of 22.60 lakhs. The financial effect of administrative measures of this kind as well as those referred to in G.Os., Revenue, No. 947, dated 21st November 1890, and No. 43, dated 20th January 1891, should be duly borne in mind, and the necessary provision should invariably be made in the departmental estimates on both sides of the account. A reserve should also be set apart by the Revenue and Public Works Departments under each fund, from which expenditure may be sanctioned during the course of the year. The rules regarding reappropriations and the sanction of the Government of India referred to in paragraph 1 *supra* should be carefully observed, and as revised estimates are mere forecasts and not revised allotments for expenditure, the amounts provided in the original estimates including the reserve should suffice to meet all the possible requirements of the year.

7. *Canal and Ferry Fund.*—When the arrangements described in G.O., dated 4th December 1890, No. 912, Financial, are matured, this special fund will cease to exist as such and the transactions will partly merge with those under Local or Municipal funds. The necessary alterations in the estimates should be made in due course.

8. *Irrigation Cess Fund.*—In the estimates forwarded to the Government of India no credit is allowed for the contributions from Provincial revenues on account of the cess and nirbatta in Bellary (*vide* G.O., Revenue, No. 966, dated 27th November 1890).

9. *Road Fund, Bhadrachalam and Rekapalle Taluks.*—The Government Agent, Godavari, will in future submit annually by the 15th September a budget estimate of the receipts and expenditure in connection with this fund along with that for Agency Civil Works.

10. The alterations to be made in the estimates of the current and ensuing years in accordance with the foregoing paragraphs are shown in columns 5 and 7 of the statement annexed to these Proceedings, but as the Accountant-General is responsible for the revised estimates, he will communicate with the Government of India

direct regarding them. The following telegram will be despatched to the Government of India, Department of Finance and Commerce:—

"Please alter Local estimates, 1891-92, as follows:—Receipts, in lakhs: Provincial rates, 81.63; Adjusting Heads, 3.84; Total receipts, 113.23. Expenditure: Land Revenue, 42.65; Education, 9.00; Miscellaneous, 13.00; Civil Works—Civil Officers, 40.16; Adjusting heads, 5.09; Total charges, 121.22. Proceedings follow."

(True Extract.)

Reddish

Chief Secretary.

To the Revenue Department.
" Local and Municipal Department.
" Public Works Department.
" Judicial Department.
" Accountant-General.
" Government Agent, Godavari.

ENDORSEMENT—dated 23rd February 1891, No. 145, Financial.

Copy to the Government of India, Department of Finance and Commerce.

J. F. PRICE,
Chief Secretary.

Exd. A. Raitt.

[Appendix.

14C 2505

Gobt. of {1891} Madras.
FINANCIAL.

13-50

Issued

Recd. 5-3-91 Encl.

G.O., &c., 23rd February 1891,
Nos. 144, 145.

FEBRUARY.

Expenditure over Budget Grants.

Passing orders in connection with a letter
from the Government of India regarding — under
Provincial and Local services.

B

928/5

P. W. DEPARTMENT.

Read the following:—

Proceedings of Government, Financial
Department, Nos 144 and 145, dated 23rd February 1891.

FOR ORDERS.

The G.O. above quoted does not
in any way affect P.W.D. procedure
or allocation, and may be made
known. The sanction of the Govt.
being referred to is only a way
means sanction. The purpose
being completed.

CCO
26 MAR

In the accompanying
Proceedings, the Govt
directs that in the case
of every additional
allocation sanctioned,
but which has not
been provided in the
original budget-estimate
(under any fund), either
a specific re-appropriation
of funds should be
made from the sanctioned
grants for the year,
or the previous approval
of the Government of
India

India, should be obtained for each such allotment.

As no increase or decrease to the budget estimate under Imperial funds is, according to the existing procedure, made without the previous sanction of the Government of India, the rules now proposed will not affect those funds.

In the case of Provincial funds, a lump sum allotment is assigned for expenditure by the P. W. Dept., out of which a certain amount is held in reserve to meet unforeseen requirements which may be sanctioned during the course of the

928/6

the year. This reserve, together with the amounts distributed for works, generally suffices to meet all demands; but should any unusually large expenditures, which cannot be met from the reserve, become necessary, application will as at present be made to the Financial Department for an additional grant before any expenditure is incurred in the P. W. D.; and it will then rest with the Financial Department, on approving the demand, to obtain the requisite sanction of the Government of India to the grant applied

applied for.

With regard to Local Funds under Act of 1884, a list of works proposed for execution by the P.W. Dept is compiled from the budget estimates submitted by Subty Engineers, & is forwarded to the Local and Municipal Dept for approval. That Department forwards the list to the President of District Boards concerned for remarks, and on receipt of replies there to, returns it to the P.W. Dept with such modifications as may have been proposed by the Boards.

Note - this procedure might

928/7
might perhaps be improved & simplified if the consultation with Local Boards took place before, instead of after, the list of works, is submitted to Govt by Superintending Engineer.

The Public Works budget-estimate is then prepared for the grant approved by the Local & Municipal Dept, but no reserve is provided therein. Whenever Subty Engrs apply for grants not provided in the budget-estimates, the application is forwarded to the Local & Municipal Dept, which places the funds at the disposal of the P.W. Department, if

if the expenditure
has passed meets with
the approval of the
Boards concerned.

Applications for
supplemental grants
under these funds
are of very frequent
occurrence, and are

generally required
for minor works or
repairs. In the

majority of cases
the allotments
applied for are
very small sums.

It will thus be seen
that if the approval
of the Government
of India is to be
obtained for every
such allotment,
a very great deal
of unnecessary trouble
and

928/8

and correspondence
will be caused. To
avoid this, it will be
necessary to provide,
as in the case of
Provincial funds, a
reserve in Local Fund
P. W. Budgets from
which unforeseen
demands can be met.

As regards expend-
-iture to be incurred
under Canal and Ferry
funds, and Excluded
Local funds, the
Revenue & Financial
Departments will
probably have no
objection to place a
lump sum at the
disposal of this
Department, from
which a reserve can
be set apart for
unforeseen

unforeseen expenditure.

To admit of effect being given to the orders now issued in the Financial Deptt, it will apparently be necessary that the grants for Local Funds made to the P.W. Deptt should, as in the case of Provincial Funds, be in ~~the~~ lump. — The detailed distribution and provision for the Reserve being made in the P.W. Deptt.

Submitted that this note be sent to the Financial and Revenue Departments for remarks, and that should there be no objection in those Departments, orders be issued accordingly in

928/9

in the P.W. Deptt laying down future procedure as indicated in the note.

The attention of Subty Engineers and departmental officers might be called to the necessity of carefully estimating the budget programme under Local Funds of all classes, and thus improve the present system under which supplemental demands for new work are brought forward throughout the year. Any really emergent work unforeseen when the budget was prepared, could be provided for from the reserve which is now proposed to maintain in each budget.

10013.
18-3-91

S. W.
1911

L.S.
Haj

FOR ORDERS.

B
Ann order

15.9.91 d/s 4/11/91

Recorded.
Recorded.

15.3
23.3.91 *D.W.*

B.W.

(9)

15
15.3.91

15

15.3.91