No. 1395 W. dy 6th June 1894.

Communicated to officers of the P.W. Dept. for information and guidance in continuation of G.O. No. 906 W. dated 3rd April 1894.

(Sd) J. P.
W

Govt. of {1894} Madras.

FINANCIAL.

Issued

Recd. *Encl.*

G.O., 17th May 1894, No. 385.

MAY.

Expenditure.

Communicating, in continuation of G.O., dated 20th March 1894, No. 228, to the Departments of the Secretariat and to all Heads of Departments, resolution in the Finance and Commerce Department describing the measures to be adopted for the observance of economy in the — of Government.

To

The Chief Engineer for Irrigation
" Consulting Engineer for Railways
" Superintending Engineers
" Consulting Architect to Govt.
" Superintendent of Works P. Projects
" Examiner P.W. Accts.

Department; to the Comptroller and Auditor General; and to all Accountants-General and Comptrollers.

(Signed) E. N. BAKER,
Dy. Secy. to the Govt. of India.

ORDER—dated 17th May 1894, No. 385, Financial.

Communicated, in continuation of G.O., dated 20th March 1894, No. 228, to the Departments of the Secretariat and to all Heads of Departments.

(True Extract.)

J. F. PRICE
Chief Secretary.

To the Departments of the Secretariat.
„ the Board of Revenue.
„ the Hon'ble the Judges of the High Court, with C.L.
„ all Heads of Departments under the Chief Secretary.

Ed. A. Raitt.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following paper:—

Resolution of the Government of India, Finance and Commerce Department, dated Simla, the 30th April 1894, No. 2162-Ex.

At a time when it is necessary in an especial degree to observe all practicable economy in the expenditure of Government, it is advisable to remind both expending and controlling officers of the duty incumbent upon them of scrutinizing, and reducing to the lowest amount consistent with the proper administration of the public service, the expenditure which they have to incur or to control.

2. There are large branches of expenditure, such as those connected with "contingencies," "supplies and services," "travelling allowances," and the like, in which it is necessary for purposes of economy that the expenditure should, from the very beginning of the year, be regulated with the view, not only of keeping within the budget estimates (which is the ordinary obligation of every officer concerned), but of keeping well within them if possible, so as to effect as large a saving as practicable.

3. Moreover, experience shows that in the larger supply departments especially, new demands arise during the year which it may have been impossible to foresee in time for entry on the estimates. In the current year the door must practically be shut against extra grants, and it behoves every administering officer concerned to prepare, by economies enforced from the beginning of the year, to meet these new and unforeseen charges by re-appropriations of his original estimates.

4. The Governor-General in Council considers it desirable also, with reference to the present necessity for strict control of expenditure, to remind all officers that for the incurring of expenditure two conditions must be present *independently*—

(1) The expenditure must be within the limits of the originally sanctioned budget estimate, or of some "extra grant" sanctioned by competent authority in addition to the original estimate.

(2) The expenditure must have been sanctioned, as expenditure, by superior authority, unless it is within the sanctioning powers of the expending officer.

Neither of these two conditions implies the other, and it is the duty of the expending officer to satisfy himself that both are present.

5. Although it is sometimes, in occasional extraordinary circumstances, necessary for an expending officer to disburse money, or to engage to do so, in the absence of one or both of these conditions, he must remember that he is taking upon himself a responsibility for which he has to give a due account, and he is bound at once to report his action for regularization.

Order.—Ordered, that a copy of the above Resolution be communicated to all Departments of the Government of India; to all Local Governments and Administrations; to the Heads of Departments subordinate to the Finance and Commerce