C№ 10525

Govt. of 18 Madras.

PUBLIC WORKS.

Printed

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Dated 13/11/90

Recd. Encl.

G.O., 13. XI. 90 8 , No. 1782 R.

Villupuram - Gudalūr
State Railway

Letter from the
Govt of India submitting
observations in regard
to the additional grant
of £ 10,00,000 required
by this Govt for railway
within — during 1890-91,
requird. to the C. S. Rly
& the E. I. Guaranteed
Ry Acts.

60/3

C. 13. XI

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

Railway.

Read the following paper :—

From the Secretary to the Government of India, Public Works Department (Account—Railway), to the Joint Secretary to the Government of Madras, Public Works Department, Railway Branch, dated Simla, the 27th October 1890, No. 553-A.R.

I am directed to acknowledge the receipt of your telegram of the 18th instant, intimating that an additional grant of Rs. 10,00,000 will be required for outlay on the Villupuram-Guntakal Railway during 1890-91.

2. Of the total additional demand of Rs. 10,00,000, it is noticed that Rs. 7,11,000 are due to an expected increase in expenditure in England with the resulting increase in exchange charges. No information has, however, been furnished as to the data on which the estimated expenditure in England is based. For the present, the Government of India considers it desirable to adhere to the original estimate of outlay in England, viz., £313,000. If this estimate is likely to be exceeded hereafter, upon definite information from the India office, the necessary provision will be made to cover any excess; but as far as can be seen at present it appears doubtful whether any excess over the total existing grant will occur.

3. It will consequently only be necessary at present to provide for exchange charges on an estimated expenditure in England of £313,000. The demand for extra funds in your telegram under acknowledgment is based on the rate of exchange adopted in the budget estimate, viz., £10 = Rs. 145. The actual rate will be much more favorable, owing to the improvement in exchange. According to the Home estimates, it was expected that £213,000 would be spent before 1st January and £100,000 after 1st January 1891. The former amount will be adjusted at the average rate of exchange for the year, and the latter (under the new contract) at the average rate for the current half year. Taking the rates at 1*s.* 7½*d.* and 1*s.* 8*d.*, respectively, the exchange would be Rs. 4,90,600 and Rs. 2,00,000 on the two sums named, or Rs. 6,90,000, resulting in a saving of Rs. 6,80,000 on the provision now existing. Of this saving the Government of India has decided to withdraw Rs. 6,00,000 from the grant. The Indian grant has accordingly been reduced and it will now stand at Rs. 69,56,000.

4. The further demand for outlay in India of about, say, Rs. 2,89,000, stated to be necessary in your telegram remains now to be dealt with. From a review furnished by the Accountant-General, Public Works Department, comparing the outlay on this line to end of September last against grant, the following particulars have been noticed. The existing grant is Rs. 75,56,000, which includes a sum of Rupees 23,70,000 for English stores and exchange, thus leaving Rs. 51,86,000 as available for outlay in India. The expenditure to end of September (excluding exchange charges already taken to account) may be stated approximately at Rs. 23,50,000, thus leaving about Rs. 28,36,000 available for cash outlay on works during the last six months of the year or some 5 lakhs more than the amount expended during the first six months of the year. Judging from the details given in your telegram, this balance may prove to be in excess of requirements.

5. From the facts noted above, the Government of India is not satisfied that any addition to the grant for outlay in India during the current official year is required, but, if hereafter further funds are actually found necessary, provision may be made for the same in the revised estimate due in January next. There is no desire on the part of the Government of India to curtail expenditure in any way. Any extra grant which may be proved to be actually necessary will be allotted in due course.

ORDER—dated 13th November 1890, No. 1782 R., Public Works.

Communicated to the Consulting Engineer for Railways and to the Examiner, Guaranteed Railway Accounts, with reference to Proceedings No. $\frac{1542}{A.}$ R., dated 18th October 1890.

(True Extract.)

Major, R.E.,
Under-Secy. to Govt., P.W.D.,
Railway Branch.

To the Consulting Engineer for Railways.
" Examiner, Guaranteed Railway Accounts.

Exd. A. D. Xavier.
Spare Copies

RAILWAY.

Govt. of {1890} Madras.

PUBLIC WORKS.

Dated November, 13th.

Read. *Encl.*

G.O., 13th Nov. 1890, No. 1782 R.

NOVEMBER.

Villupuram-Guntakal State Railway

Letter from the Government of India, submitting certain observations in regard to the additional grant of Rs. 10,00,000 required by this Government for outlay on the — during 1890-91, communicated to the Consulting Engineer for Railways and the Examiner, Guaranteed Railway Accounts.

All communications should be addressed to the Secretary.

No. 553 A/R

GOVERNMENT OF INDIA.

PUBLIC WORKS DEPARTMENT.

ACCOUNT.
Railway.

To The Joint Secretary to the
Government of Madras,
Public works Department,
Railway Branch.

Simla the 27th October, 1890.

Rd 4/11/90

Sir,

I am directed to acknowledge the receipt of your telegram of the 18th Instant, intimating that an additional grant of Rs 10,00,000 will be required for outlay on the Villupuram-Guntakal Railway during 1890-91.—

2. Of the total additional demand of Rs 10,00,0 it is noticed that Rs 7,11,000 are due to an expected increase in expenditure in England with the resulting increase in exchange charg No information has, however, been furnished a to the data on which the estimated expenditu in England is based. For the present, the Gover -ment of India considers it desirable to adhere to the original estimate of outlay

England

England viz: £ 313,000. If this estimate is likely to be exceeded hereafter upon definite information from the India office, the necessary provision will be made to cover any excess. But as far as can be seen at present, it appears doubtful whether any excess over the total existing grant will occur.

3. It will consequently only be necessary at present to provide for exchange charges on an estimated expenditure in England of £ 313,000. The demand for extra funds in your telegram under acknowledgment is based on the rate of exchange adopted in the Budget Estimate viz: £ 10 = Rs 145. The actual rate will be much more favourable, owing to the improvement in Exchange. According to the Home Estimates, it was expected that £ 213,000 would be spent before 1st January and £ 100,000 after 1st January 1891. The former amount will be adjusted at the average rate of exchange for the year, and the latter (under the new contract) at the average rate for the current half year. Taking the rates at 1s 7½d and 1s 8d, respectively, the exchange would be

Rs 490,600 and Rs 200,000 on the two sums named, or Rs 690,000, resulting in a saving of Rs 680,000 on the provision now existing. Of this saving, the Government of India has decided to withdraw Rs 600,000 from the grant. The Indian grant has accordingly been reduced and it will now stand at Rs 6956,000.

4. The further demand for outlay in India of about say Rs 289,000 stated to be necessary in your telegram remains now to be dealt with. From a review furnished by the Accountant General Public works Department, of the outlay on this line to end of September last against grant, the following particulars have been noticed. The existing grant is Rs 7556,000, which includes a sum of Rs 2370,000 for English stores and Exchange, thus leaving Rs 5186,000 as available for outlay in India. The expenditure to end of September (excluding exchange charges drawn taken to account) may be stated approximately at Rs 2350,000, thus leaving about Rs 2836,000 available for cash outlay on works during the

P W Cdo. 10525

the last six months of the year or some 5 lakhs more than the amount expended during the first six months of the year. Judging from the details given in your telegram this balance may prove to be in excess of requirements. Pd 4-11-90

5. From the facts noted above, the Government of India is not satisfied that any addition to the grant for outlay in India during the current official year is required but if hereafter further funds are actually found necessary, provision may be made for the same in the Revised Estimate due in January next. There is no desire on the part of the Government of India to curtail expenditure in any way. Any extra grant which may be proved to be actually necessary will be allotted in due course. G.O. 1542/A Rly 18.10.90.

A No. 1782 Rly 13th Nov/90.

H Sec 11/11/90

Communicated to the Consulting Engineer for Railways & to the Examiner Guaranteed Railway accounts with reference to Corp. No. 1542/A Rly 18 Oct.

I have the honour to be,
Sir,
Your most obedient Servant,
1890.-

R M Sewell Col, RE,
Secretary to the Govt of India

Pd 11/11/90

To the Comptroller for Rly
— Exam & Rly Accts.
28.11.0

H Sec 6.XI.90
Pd 11.XI.90

Document accompanying
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