M.R.O. 14—12,000—27-6-24.

# MADRAS RECORD OFFICE.

---

## Government of Madras.

Revenue **DEPARTMENT.**

G.O. No. 440 Press ~~Mis.~~

94

Dated 9- 3- ~~19~~ 1864

***Not to be folded or roughly handled***

REVENUE DEPARTMENT.
FORT SAINT GEORGE,
*9th March* 1864.

No. 410.

No. 94.

From

J. D. SIM, Esq.,

*Secretary to the Government of Fort Saint George,*

To

*The Secretary to the Government of India, Financial Department.*

SIR,

1. With reference to the Resolution of the Supreme Government, dated 18th September 1863, No. 4,559, I am directed to forward the accompanying Order of this Government, dated 4th March 1864, No. 392, regarding the Local Funds of this Presidency.

2. The Governor in Council believes that the Rules appended to this Order will ensure the proper administration of these Funds, while the annual Budgets and Reports will keep the Supreme Government fully acquainted with the working of the Funds and their effect on the wants of the Presidency. The Rules have been framed in accordance with the general principles of the Budget system, and the Government believe will be found to work satisfactorily and to be suited to local peculiarities. Any amendments which experience may suggest will of course be adopted.

3. I am specially to request the consideration of the Supreme Government to the present charge on these Funds of no less than 18¾ per cent. on account of the assistance afforded by the Department of Public Works. The works executed for the Road Fund are of a very ordinary description, being for the most part mere repairs of cross country roads. It is scarcely fair therefore to charge for the superintendence of such works in the same ratio as for works requiring high engineering skill, Anicuts and the like which are executed for the State by the Public Works Department. Moreover, a considerable portion of the expense of that Department is incurred for considerations in which these Funds are not interested, as for example, the maintenance of a Corps of Military Engineers to meet the Military exigencies of the Empire. I am directed to suggest that a charge of 10 per cent. would be a fair rate until the actual value of the superintendence, &c., afforded, can be determined by the experience of a few years. Taking the Road Fund of South Arcot at Rupees 60,000 per annum the charge of 18¾ per cent. would amount to nearly Rupees 1,000 per mensem, for which an ample separate Establishment could be maintained, while the Department of Public Works could not be reduced, if it were relieved of Local Fund work. Under these circumstances I am to request sanction for reducing the charge from 18¾ to 10 per cent. for the present.

4. The Government propose sending all the Local Fund Budgets simultaneously to the Financial Department, so that the Supreme Government who have declared that their object in working these returns is "not to exercise any interference," but merely to "be kept informed of the outlay, for financial purposes, and of the nature of the projects in reference to their effect upon the wants of the country which remain to be met from Imperial Funds," will thus have the information they require submitted in a complete form.

5. Since the Order now forwarded was passed, the Government have received the endorsement of the Government of India forwarding copy of a letter to the Deputy Auditor and Accountant General at this Presidency, dated 22nd February 1864, No. 992. From this communication it appears that in consequence of a letter from that Officer, with copy of which this Government has not been favored, the Supreme Government has ordered the "Jungle Conservancy Fund" to be treated as Imperial Revenue.

6. I am directed to request the attention of His Excellency the Governor General in Council to the anomalous position in which this Government has thus been placed.

7. The Deputy Auditor and Accountant General is indeed an Officer of the Supreme Government, who are of course at perfect liberty to procure from him any information they require in any way they please, but I am to submit that this Government may reasonably claim to be heard, before a decision is arrived at, on information so obtained, in a matter affecting the administration of the Presidency. The Government are in this instance required to withdraw orders which they have passed without being even informed of the reasons which have influenced the Supreme Government, and without having an opportunity afforded of stating their views on the subject.

8. Under the circumstances this Government have not deemed it fitting to apply to the Deputy Accountant General for a copy of his letter, but I am desired to explain that this Fund consists merely of a light seigniorage charged for firewood, &c., cut in petty jungles for sale or by others than villagers possessing a prescriptive right to firewood and wood for their agricultural implements free of payment. These jungles are not under the Forest Department, and would not pay the expense of regular conservancy. They are under the care of the Collectors, the village Officers managing them, collecting the seigniorage and receiving a per centage for their trouble. The net proceeds are expended in re-planting the jungles and forming fresh plantations. The Government would strongly recommend that matters be allowed to remain unchanged for the present, the small sums realized will be expended most advantageously by the local Officers under the Rules enclosed in this letter, and it is most desirable that planting should be encouraged as much as possible in this Presidency. The receipts cannot be considered Imperial Revenue any more than surplus Pound Fines, Grass Rents, Road and Canal Tolls, which by law and under orders of the Supreme Government are treated as "Local Funds," but it is not on this ground so as much as the utility of the Jungle Fund and the greater facility and effect with which it can be advantageously used as a Local than as an Imperial Fund that the Government deprecate its withdrawal from their control. In the Public Works Budget of the Government of Bengal for 1864-65 just received, the Government observe that a sum of nearly 8 lacs has there been treated as "Local," though derived from sources which in this Presidency are regarded as Imperial. And in the Land Revenue Administration of the Lower Provinces for the official year 1862-63, it is stated that a sum of Rupees 77,678 was "set apart during the year from the collections of Government Estates to be added to the District Road Fund." No similar contribution of Imperial Revenue is made to the Local Funds of this Presidency. The Government allude to these cases merely to show that the practice in Madras is considerably stricter than elsewhere, but their reason for advocating the retention of the Jungle Fund is, as already explained, their belief that the money will be most advantageously expended under the enclosed Rules.

| | | Rs. |
|---|---|---|
| Balance of Tolls on Nuddea River and Calcutta Canals | .. .. | 4,00,000 |
| Do. Convict Labor Fund | .. .. | 3,50,000 |
| Receipts from Fisheries. | .. .. | 40,000 |
| Total | .. | 7,90,000 |

I have the honor to be,
Sir,
Your most obedient servant,

*Secretary to Government.*

Encl. S. T. Augustin.

1 Copies Despatched to Madras
& Calcutta

To

Revenue Department

No. 440.

The Secretary to the Govt. of India
Financial Depart.

Sir

With reference to the Resolution of the Supreme Government dated 18 Sept. 1863 No. 4557 I am directed to forward the accompanying order of this Government dated 16th March 1864 No. 392 regarding the Local Funds of this Presidency.

The Governor in Council believes that the rules appended to this order will ensure the proper administration of

of these Funds, while the annual Budgets and Reports will keep the Supreme Government fully acquainted with the working of the Funds and their effect on the wants of the Presidency. The rules have been framed in accordance with the general principles of the Budget system and the Government believe will be found to work satisfactorily and to be suited to local peculiarities. Any amendments which experience may suggest will of course be adopted.



I am specially to request the consideration of the Supreme Government to the present charge on these Funds of no less than 18¾ per cent on account of the assistance afforded by the Dept. W. The works executed for the Road Fund are of a very ordinary description being for the most part mere repairs of cross country roads. It is scarcely fair therefore to charge for the superintendence of such works in the same ratio as for works requiring high Engineering skill Amusements and the like

which are executed for the State by the P. W. D. Moreover a considerable portion of the expense of that Department is incurred for considerations in which these Funds are not interested. As for example, the maintenance of a Corps of Military Engineers to meet the Military exigencies of the Empire. I am directed to suggest that a charge of 10 per cent would be a fair rate until the actual value of the supervising Establishment afforded, can be determined by

11



the experience of a few years. Taking the Road Fund of South Arcot at Rs 1,60,000 per annum the charge of 18¾ per cent would amount to nearly Rs 1,000 per mensem for which no simple separate establishment could be maintained while the Department of Public Works could not be reduced, if it were relieved of Local Fund work. Under these circumstances I am to request sanction for reducing the charge from 18¾ to 10 per cent for the present.

The Government propose sending all the Local Fund Budgets simultaneously to the Finance Department in accordance with the

principle on which the Supreme Government have declared that their object in sending these Returns is not to exercise any interference with the expenditure of funds which were entirely at the disposal of the Local Government, but merely that the Government of India should be kept informed of the outlay for Government purposes, and of the nature of the projects in reference to their effect upon the wants of the country in which they remain to be met from Imperial Funds."

Sir,

Since the order now forwarded was passed, the Government have received the endorsement of the Government of India forwarding copy of a letter to the Deputy Auditor and Accountant General at this Presidency dated 23rd February 1861 No. 992. From this communication it appears that in consequence of a letter from that officer with copy of which this Government has not been favored the Supreme Government has

has ordered the "Jungle Conservancy Fund" to be treated as Imperial Revenue.

I am directed to request the attention of His Excellency the Governor General in Council to the anomalous position in which this Government has thus been placed.

The Deputy Auditor and Accountant General is indeed an officer of the Supreme Government who are of course at perfect liberty to procure from him any information they require in any way they please, but I am to submit that this Government may reasonably claim to be heard, before a decision is arrived at, on information so obtained, in a matter affecting the administration of the Presidency. The Government are in this instance required to withdraw orders which they have passed without being even informed of the reasons which have influenced the Supreme Government and without having an opportunity afforded of stating their views on the subject.

Under the circumstances this Government have not deemed it

fitting to apply to the Dy Accl. General for a copy of his letter, but I am desired to explain that this Fund consists merely of a light seignorage charged for firewood &c., and in petty jungles for sale or by others than villagers possessing a prescriptive right to firewood and wood for their agricultural implements free of payment. These jungles, are not under the Forest Dept. and would not pay the expense of regular conservancy. They are under the care of the Collectors, the village officers managing them, collecting the seignorage and receiving a percentage for their trouble. The net proceeds are expended in replanting the jungles and forming fresh plantations. The Govt. would strongly recommend that measures be allowed to remain unchanged for the present. The sums realized will be expended mostly in advantageously by the local officers under the rules enclosed in their letter, and it is most desirable that planting should be encouraged as much as possible in this Presidency. The receipts cannot be considered

considered Imperial Re-
venue any more than
surplus Pound Fines-fees
Rents- Road and Canal
Tolls - which by law
and under orders of the
Supreme Government are
treated as "Local Funds"
but it is not on this
ground- so as much as
the stability of the Jungle
Fund and the greater fa-
cility and effect with
which it can be advan-
tageously used as a
Local than as an Imperial
Fund that the Govern-
ment deprecate its with-
drawal from their con-
trol- In the Public
Works

Works Budget of the
Govt. of Bengal for
1864/5 just received the
Government observe that
a sum of nearly 8 lacs
has there been treated as
Local though derived from
sources which in this Pre-
sidency are regarded as
Imperial. And in the Land
Revenue Administration
of the Lower Provinces for
the official year 1862/3
it is stated that a sum
of Rs 77,678 was "set-
part during the year
from the collections of
Govt. estates to be added
to the District Road
Fund" by similar

| | |
|---|---|
| Balance of Tolls on Juddea Rivers and Calcutta Canals | 1,09,000 |
| Do Convict Labor Fund | 350,000 |
| Receipts from Fisheries | 40,000 |
| | 790,000 |

contribu-

contribution of Imperial revenue is made to the Local Funds of the Presidency. The Govt alludes to these cases merely, to shew that the practice in Madras is considerably stricter than elsewhere, but their reason for advocating the retention of the Jungle Fund is, as already explained, their belief that the money will be most advantageously expended under the enclosed rules.

I have &c

Fort St. George
9th March 1854

Copy ina Letter to Govt
of 11th March 1864 No 18.

2 Abstract of 3 Nos 319-320

Revenue & Steal Dept.
Rec. 6th April

No 410.

To The Secretary to the
Government of India
Financial Department

Dated 4th March 1864.

From Do 14th April 64 C No 1119
1117

Forwarding Copy of Letter from the Secretary
Dept of 10 May 64 C No 1601.

From Secretary to Govt of India of 14th
October 1864 C No 2501 (Acknowledging the change
from 18d & 19d).

No 94.

Government of India
furnished with a Copy
of the Proceedings revising
the Local Fund Rules.