

# MADRAS RECORD OFFICE.

Government of Madras.

*Revenue* DEPARTMENT.

|          |          |               |
|----------|----------|---------------|
| G.O. No. | 1164     | Press<br>Mtg. |
| Dated    | 5-8-1870 | 19            |

Not to be folded or roughly handled

*Proceedings of the Madras Government, Revenue Department,  
5th August 1870.*

No. 59. Read the following letter from the Acting Secretary to the Board of Revenue, to the Acting Secretary to Government, Revenue Department, dated Madras, 21st June 1870, No. 4,276 :—

IN G. O., dated 14th June 1870, No. 870, referring to the Accounts of the Cochrane's Canal Fund, the Government stigmatize the action of the Board in directing "the Accountant-General to place Rupees 40,000 at the credit of the Public Works Department for expenditure on the canal" in their Proceedings of the 3rd May 1869, No. 2,969, as a "mistake," and while making allowances for the effect on the Account Department of the mortal illness of the late Sheristadar, "desire to know who is responsible for the mistake".

2. The Proceedings to which the Government refer were drafted under the orders of the Board by their Sub-Secretary, examined by the late Sheristadar, Jeyram Chetty, who was then still in attendance at the office, seen and approved by all three members of the Board, and forwarded to the Press on the 30th April 1869.

3. The monthly account for March, which, the Government observe, should have reached the Board before the end of April, did not come to hand till the 3rd May, but the Board feel bound to say that if it had been before them, (and it was received before the Proceedings were despatched,) it would have suggested no reason for modifying their Proceedings.

4. The Proceedings of the 3rd May 1869, No. 2,969, disposed of the Order of Government sanctioning the Local Funds Budget for 1869-70, and paragraph 14 to which the Government refer, enumerates the amounts sanctioned for expenditure under each fund, and directs that a certain sum out of the *Road Fund* should be placed at the disposal of the Public Works Department. According to previous usage, it so happens that no portion of the canal grant was allotted to the Public Works Department, but the total amount to be expended was given as Rupees 40,210.

5. The prospects of the Canal Fund were thus stated in the Budget :—

|                                                   | RS.    |
|---------------------------------------------------|--------|
| Estimated Balance at the beginning of the year... | 99,150 |
| Receipts during the year ... ..                   | 43,500 |
| Charges ... ..                                    | 40,210 |

The receipts of the year were estimated at Rupees 43,500, and the average of previous years showed that the estimate was moderate. It is true that the canal was too shallow for boats in April, but if sufficient rain had fallen in May or June, the salt and wood which were waiting for transit would have been brought down to Madras, the loss of a month's receipts would have been recouped, and the estimated receipts would have been realized. The Board submit that inasmuch as they could not foresee the failure of the south-west monsoon, they were justified in regarding Rupees 43,500 as available for expenditure. The only allotment they made was Rupees 40,210. No part of the balance which it was expected would be available at the beginning of the year was touched, pending inquiry, and the Board were almost censured for this caution in G. O., Public Works Department, 20th August 1869, No. 2,735.

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*Proceedings of the Madras Government, Revenue Department,  
5th August 1870.*

6. In illustration of what has been said I am to call the attention of Government to the Local Fund Budget of the current year. With the experience of the past year before them, the Government have sanctioned an expenditure of Rupees 39,510 out of the Canal Fund, and the Board have announced the fact just as they did in the Proceedings which have been impugned, in spite of the fact that the estimated balance in hand at the beginning of the year was *nil*. Nevertheless, no mistake has been made either by Government or the Board, for the sanctioned expenditure is less than the estimated receipts of the year, viz., Rupees 40,200.

7. The Board have still to give the reason why they did not address Government with regard to the state of the fund earlier than they did. It was because they had called for further reports, and because they believed that such expenditure as had been sanctioned was provided for and need not be retrenched. Under these circumstances, I am to request that Government will relieve the Board from the imputation of having made a *mistake* of such magnitude as to justify the unusual order to state who in the Board's office was responsible for it, and to involve them in the responsibility for large unauthorized expenditure.

8. In paragraph 8 Government remark that they are quite unable to comprehend the meaning of the Board when they affirm that "the state of the Canal Fund can in no way be attributed to Mr. Fraser's operations."

9. I am to explain that the words the Board used were "this state of affairs," alluding to the state of affairs disclosed in the accounts which they had examined. They immediately afterwards stated that Mr. Fraser *said* he had exceeded the year's allotment in the accounts for August, which had not been laid before the Board, because they had not been audited, and in engagements with contractors; and they mentioned his excuse, viz., that he had been pressed to push on the work. The Government have disallowed this excuse, and the Board have nothing further to say on that point, but they hope this explanation will make their meaning clear.

No. 60. ORDER THEREON, 5th August 1870, No. 1,161.

Miscellaneous.

THE Right Honourable the  
Governor in Council accepts the explanation submitted by the Board.

(True Extract.)

(Signed) H. E. STOKES,

*Under-Secretary to Government.*

To the Board of Revenue.  
,, the Public Works Department.  
,, the Accountant-General.

Ed. F. R. Bartleman.

Other

No 1164 Rev. W. B. P. M.  
 Proceedings of the Madras Govt  
 Under date 5 Aug 1870

Read the following  
 letter from the Secy to the  
 Board of Revenue

Subing explanation relative  
 to certain unauthorized expenditure  
 from Cochranes Canal Fund

21 June 1870

The P. M. B. P. M.  
 the Governor [is pleased to]  
 accept the explanation  
 submitted by the Board  
 in regard to their having  
 directed the Accountant  
 General to place Rs 40,000  
 at the disposal of the  
 P. M. B. P. M. although at  
 the date of their order  
 the Canal Fund was  
 actually insolvent, but  
 is unable to relieve them  
 of all blame in the  
 matter

J. P. S.

I wd say at this  
 word "insolvent"  
 I should omit this  
 from [ ] for really  
 I think [ ] are  
 quite as much to  
 blame as the Board  
 in particular, of all blame in the  
 matter

Colt. of 1870

REVENUE.

To

THE BOARD OF REVENUE.

cc. cc.

Dated August 5th

Recd.

G. O. 5th August 1870, No. 1,164.

AUGUST.

103. 53. 60.

Cochranes Canal Fund.—Explanation  
 submitted by Board of Revenue relative to certain  
 unauthorized expenditure from it, accepted.

matter. If the monthly  
Accounts of the Fund  
had been properly in-  
spected and checked  
in the Board's office, it  
is impossible to suppose  
that the unsatisfactory  
state of the accounts would  
not have been brought to  
notice in sufficient time  
to enable the Govt to put  
a stop to a considerable  
portion of the unauthorized  
expenditure which was in-  
curred during the past  
year.]

para 2 of p. 20  
Aug. 1869. 2735  
P.W. D.

I would rather  
call for the result  
of the Wd's Exami-  
nation of Mr.  
Foster's accounts  
ordered in p. 2<sup>d</sup>  
Sept 1869. N. 2883.  
P.W.D.

I do not know  
when the Canal  
was declared  
"Local" - but a  
memorandum  
from that date,  
the starting balance  
and the estimated  
& actual results

14 To the Govt. Res. Dec 11  
21 - 1869  
W. H. C. S. S. S.

+ expenditure of each  
year to ~~the~~ should  
last - with the orders  
sanctioning the ex-  
penditure will  
clear up the diffi-  
culty.

J. P. S.  
M. A.

I would simply send  
the Board's attention  
to the fact that the  
Govt. shall do good by  
cutting for repairs in  
making any further  
inquiries. The fact is  
that there was a surplus  
fund in hand, that perhaps  
at a charge as was supposed,  
but owing to the delay  
of the seven the neglect  
which had previously occurred  
became apparent to the  
money in hand had to be  
expended in excavations  
& repairs instead of  
being applied to the  
improvement of the canal  
I would refer to the

post but look forward  
to get the canal  
divided through the  
Kushnabati Bakhir  
by low funds secured  
on the proceeds of MS  
Canal or the local  
funds of village.

V.

17  
The following  
is a list of the  
names of the  
persons who  
were present at  
the meeting of  
the Board of  
the City of  
New York  
on the 1st of  
January 1864

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19

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