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TAMIL NADU ARCHIVES

GOVERNMENT OF TAMIL NADU

Revenue DEPARTMENT

G.O. No.	2960	Press
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Not to be folded or roughly handled

Local Funds—Loans.

No. 187. *Read the following Proceedings of Government in the Revenue Department, dated 14th November 1876, No. 1665 :—*

Read the following Proceedings of the Board of Revenue, dated 9th November 1876 :—

Read the following papers :—

From H. Sr. A. GOODRICH, Esq., Acting Collector and President of the Local Fund Board, Vizagapatam Circle, to H. E. STOKES, Esq., Acting Secretary to the Board of Revenue, dated Vizianagram, 26th October 1876, No. 163.

I have the honor to forward, herewith, a report of a resolution passed at the last meeting of the Local Fund Board held at Waltair in my house on the 23rd instant and to request the Board to solicit sanction to the transfer of Rupees 10,000 from the General to the Road Fund and the borrowing by the Local Fund Board of Rupees 1,00,000 for the purpose under the terms indicated.

2. My letters, Nos. 1433 and 1489, of 12th and 20th instant, respectively, have informed the Board of the severity of the cyclone which visited this part of the country on the nights of the 7th and 8th instant and devastated eleven out of the fourteen taluqs in the plains, breaching most of the well-filled tanks at a most critical time.

3. The very heavy rain-fall that accompanied the gale caused the rivers to bring down excessive freshes and destroyed the only two considerable bridges on the Northern Trunk Road, those at Chicacole and Chittavalsa, and a smaller one at Gambhiram. Much damage has been done by the breaching of roads and the sweeping away of their surface material by the rush of water in nullahs swollen by the bursting tanks.

4. The position of the Local Fund as to necessities and assets is as follows :—

	RS.	RS.
Unappropriated Reserve of the current year	4,827	
Saving of do. under New Works, Repairs, and Ferry		
Boats	3,910	
Funds available during next year for New Works	21,560	
Total assets, 1876-77 and 1877-78 ...		30,297
	Say ...	30,000
Urgent repairs to cyclone damages, cost of	83,500	
New works most needed next year as entered in the		
Engineer's budget and approved by the Collector ...	1,18,000	
Total needs, 1876-77 and 1877-78 ...		2,01,500
	Say ...	2,00,000

5. The situation is sufficiently deplorable; the Board are satisfied that they need two lakhs sadly, and have barely one-sixth of the sum. After considering the situation, the Board have resolved to rely on the assistance of Government as

little as possible. They feel certain that Government will help them if it be in any way possible for them to do so, and will not help them the less for their endeavoring to help themselves.

6. They accordingly devote to the prosecution of their unfinished lines, and the restoration of their ruined lines of road, the funds recited in the above lists of assets. They solicit that the transfer be sanctioned of Rupees 10,000, which they have no means of spending to advantage on the objects to which the General Fund is devoted. (I have already telegraphed to the Board a request that this may be recommended.) They further request that Government permit them to accept the offer of His Highness the Maharajah of Vizianagram, who, as usual, has come forward in the time of need, to lend the Board the sum of Rupees 1,00,000 at the low rate of 5 per cent. per annum—the loan to be made to the Board and made repayable within twenty years, the manner of the repayment and the provision for the same to be as follows. The right to collect toll collected at the entrance to Bimlipatam is increasing in letting value; it now fetches Rupees 8,000 per annum, and the tolls are at half maximum schedule rates. The rate should be raised to the maximum, and the toll may be relied on to produce Rupees 14,600 per annum, allowing Rupees 4,000 per annum, the present contribution to the Municipality (and the Bimlipatam Municipality cannot do without this source of income), and Rupees 1,000 per annum margin, Rupees 9,600 will remain; this sum paid annually will extinguish the loan with interest at 5 per cent. in eighteen years.

The parts of the district which suffered most from the cyclone are the taluqs of Bobbili, Palconda, Gajapatinagaram, Cheppurupilli, Vizianagram, Srungavarapucota, Bimlipatam, Vizagapatam, and Ankapally. The roads breached are those which converge upon the port of Bimlipatam and bring thereto the goods available for export. No other toll is levied on these lines.

8. In a district possessing many wealthy families an appeal to their liberality suggested itself. I however considered that the wealthy families are all great landlords; that the damage to their estates from the effects of the storm has been immense and their incomes will certainly be for this year affected. The torrents of rain which burst all the tanks have not been succeeded by any timely monsoon rain, and the crops are withering for the want thereof. Instances of liberality were not wanting—the Rani of Bobbili sent me Rupees 4,000 and Mr. G. L. Nursinga Row and the Hon. G. N. Gajapathi Row between them Rupees 3,000 for the relief of distress in the town of Vizagapatam.

9. The Local Fund Board, moved by the above considerations, anticipated the sanction of Government to the transfer of Rupees 10,000 and the borrowing of Rupees 1,00,000 as above recited and called through me upon the District Engineer for estimates of the amounts which, with strict supervision and the avoidance of waste, he can apply in this and the following year.

10. Major Wood discussed the matter with me and satisfied me that Rupees 30,000 in the current and Rupees 40,000 in the coming year can be well spent in the repair of the cyclone damages, and the expenditure upon the new works for the coming year, estimated at Rupees 1,18,000, had better be restricted to Rupees 70,000.

11. Our position then (paragraph 4 *supra*) will be as follows:—

	RS.
Assets from regular sources	30,000
Transferred from General Fund	10,000
Borrowed from His Highness the Maharajah	1,00,000
<i>Expenditure.</i>	
In 1876-77 upon cyclone damages	30,000
In 1877-78 do.	40,000
In do. upon new works	70,000
Total ...	1,40,000

12. The expenditure upon cyclone damages for the current year will be restricted mainly to the preparation and collection, where needed, of finely-broken metal and of bricks. The expenditure upon new works would be directed to the following roads:—

	RS.
Vemulavalsa Road	7,816
Chepurupilly Road	2,310
Great Northern Trunk Road	15,000
Palconda and Parvathipur Road	15,356
Special repairs to Trunk Road	403

Works for which Estimates have already been sanctioned but not yet begun for want of funds.

	RS.
Chittivalsa cross road	5,900
Palconda and Chicacole Road	6,000
Jagannadhapur and Jargungy Road	3,000
Widening Salur Road	5,000
* Road to connect Gajapatinagaram and Bimlipatam Roads	5,375
Minor New Works	1,000
Tools and Plant	2,840
Total ...	70,000

13. The amount of the salt revenue for the coming year depends in no slight degree upon the exertions which the Local Fund Board are enabled to make immediately in the work of repairing the communications between the coast and the interior.

Telegram from the same Officer.

My letter 26th ultimo, Local Fund loan one lakh from Vizianagram. Need of employment in all taluqs great. Public works will help to feed many. Sanction refused loan difficulty increased; if given, food and work can be provided at many points.

* Estimates resubmitted for sanction.

In the foregoing letter the Collector and President, Local Fund Board, Vizagapatam, reports regarding the extent of damage done to local public works in the district and the measures to be adopted to provide funds for their repair.

2. The amount of cyclone damages the repair of which is urgent is stated to be Rupees 83,500. The requirements of new works in 1877-78 are put down as Rupees 1,18,000, total Rupees 2,01,500, of which it is believed (but the Board are inclined to doubt the fact) that in 1876-77 and 1877-78 Rupees 1,40,000 can be usefully expended. The Local Board estimate the sums available towards this requirement to be from the budgets of the current and ensuing years, Rupees 30,000, and they propose to transfer from the General to the Road Fund Rupees 10,000 and to provide the balance by borrowing from the Maharajah of Vizianagram Rupees 100,000, which His Highness has consented to lend. The loan is to bear interest at 5 per cent., and the proceeds of a toll to be levied at maximum rates on traffic entering Bimlipatam, which is estimated to yield, after deduction of the Municipal share, Rupees 9,000 per annum, are to be devoted to liquidation of the loan.

3. The transfer of Rupees 10,000 from the General Fund has been sanctioned by telegram from Government (G.O., No. 1889, dated 24th October 1876). The sum of Rupees 30,000 consists of savings Rupees 3,910, unappropriated reserve Rupees 4,827, and allotment for new works in the budget of 1877-78 Rupees 21,560. There is no unappropriated reserve, so that the amount supposed to be available must be reduced by Rupees 5,000. The loan from the Maharajah may, under Section 6, Act XXIV of 1871, be authorized by Government with the previous sanction of the Governor-General in Council. The terms on which such a loan might be obtained from Government are much less onerous than those proposed, but in the present state of the finances there is no chance of a State loan being obtained, and if borrowing to such an amount were really necessary the Board would recommend that advantage should be taken of the great liberality and public spirit of the Maharajah, which deserve the fullest recognition from Government. The Board, however, are not satisfied that so large a sum should be borrowed, and the Collector's figures as to new works required for 1877-78 are not intelligible. The amount is stated at Rupees 1,18,000 as entered in the Engineer's budget, but the budget of 1877-78 contains road works estimated to cost Rupees 1,19,340 only, of which up to 31st March 1877 Rupees 71,526 are expected to be spent. The balance is therefore Rupees 47,814, of which Rupees 21,560, as already stated, have been allotted in 1877-78 according to the original proposals. Before sanction is granted for borrowing for the prosecution of ordinary new works, such as these must be presumed to be, further detailed information must be supplied; in fact, the position of the Local Board is worse than before, and the necessity for borrowing should be considered only with reference to the cyclone damages, and of these sufficient details have not been furnished. Of the sum stated, Rupees 84,000 in round numbers, Rupees 14,000 can be, or have been, made available in the current year, and no doubt in the present circumstances Rupees 10,000 or Rupees 15,000 could be diverted out of the sum of Rupees 21,560 allotted in 1877-78. Rupees 10,000 more might be obtained if the proposed toll is sanctioned. The need for borrowed money would therefore be reduced at the outside to Rupees

40,000, and details must be furnished before borrowing to this amount even should be sanctioned.

4. The Collector will be requested to furnish without delay detailed explanation on the points above referred to and to submit a memorandum of the alterations which he would propose in the budget of 1877-78, and application for allotments required from available funds in 1875-76.

5. In the telegram dated 2nd instant read above the Collector speaks of need for food and work being very great and of necessity for providing them. The Board have received this first intimation of distress in the district with much alarm, and the Collector will be instructed by telegraph to report at once in full detail.

6. These Proceedings will be submitted to Government.

(True Copies and Extract.)

(Signed) H. E. STOKES,
Acting Secretary.

The Government anxiously await the Collector's full report on the distress now for the first time reported to prevail in the Vizagapatam District.

2. The proposals regarding the public works in the district and the obtaining a loan from the Maharajah of Vizianagram will be considered in the Financial Department.

(True Extract.)

(Signed) D. F. CARMICHAEL,
Secretary to Government.

No. 188. ORDER THEREON, 27th November 1876, No. 2120.

The Government must await the further report on the needs of the Local Fund called for from the President, but meanwhile observe that the Government of India have already drawn attention to the expediency of having recourse to private loans for local and municipal works. The Collector will convey to His Highness the Maharajah the high appreciation by Government of his liberal public spirit.

(True Extract.)

[Signature]
Chief Secretary.

To the Revenue Department.

.. Board of Revenue.
.. Accountant-General.

Erd. A. S. Rodgers.

1877-78

200. 200

Rs. 5498

Exhibit of 1876-77

FINANCIAL.

To

THE REVENUE DEPARTMENT,

&c., &c., &c.

Dated November, 27th.

Issued 7/12

Recd. 7-Decr

Rs. 5498

G.O. 27th November 1876, No. 2120.

NOVEMBER.
Nos. 187-188.

Local Funds—Loots—Further report on the needs of Local Funds in Vizagapatam District awaited prior to sanctioning acceptance of the loan offered by His Highness the Maharajah of Vizagapatam.

Rs. 2960