

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	543	Press
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*Proceedings of the Madras Government, Financial Department,
2nd November 1860.*

No. 5. Read the following Proceedings of the Government of India, dated 15th October 1860, No. 10,546.

Read letter from the Military Finance Commissioners, to the Secretary to the Government of India, Financial Department, dated Calcutta, 5th October 1860, No. 2,642.

We have the honor to forward for your information printed copy of a letter, No. 2,638, this day addressed to the Accountant General, Bombay, requesting that the estimate of the

Six. Military expenditure in that Presidency for 1861-62 may be submitted to this Commission before the first week of January 1861 and if possible by the 15th December.

2nd. The Accountant General at Madras has been called upon to do likewise and the Commission request you will do them the favor to issue the necessary instructions to the Accountant General to Government of India to comply with their wishes; so that by the simultaneous receipt of the estimates of all three Presidencies, the preparation of the General Budget of Military expenditure for all India for the forthcoming year may be facilitated and timely completed.

(Signed) R. TEMPLE,

(„) R. S. SIMPSON, Lieutenant Colonel,
Military Finance Commissioners.

From the Military Finance Commissioners, to the Accountant General, Bombay, dated Calcutta, 5th October 1860, No. 2,638.

I have the honor to apprise you that it is essentially necessary that the whole of the Military estimates for 1861-62 should reach the Military Finance Department before the commencement of January 1861, and if possible by the 15th December of the present year, in order that the Government of India may be enabled to acquaint the Secretary of State for India of the probable expenditure of the Country with the view to the same being communicated to Parliament at its meeting in February next. I have therefore to request your early and special attention to the subject, and pending the final arrangements to be made for fixing the responsibility of Departments, and of the Officer required to compile the estimates of the several Presidencies into one Budget, I trust you will continue to afford your cordial co-operation in ensuring the punctual despatch of the Financial papers above called for so as to reach the Finance Department by the time specified.

2nd. You will find in the Budget Report (No. 7.) of 15th June 1860, already transmitted to you, excellent forms which if followed will greatly facilitate the preparation of the Departmental estimates, and the aggregation of these into one estimate for the Presidency will be a comparatively easy matter.

3. The Military Auditor General will of course afford you ready assistance, and until the final transfer of the duty to the Controller of Military Finance, that Officer will furnish you with many details which you will be able from your own Office records to check and arrange under suitable heads, but if you should have occasion in any way to modify data afforded by the Military Auditor General, I think it would be well for you to accompany the Presidency estimate with a Statement of such modifications.

4. I have further to request your attention to a fundamental principle of correct estimates which is that every sum shewn in aggregate should be fully exhibited in minute detail in appendices, so that each of the items composing the aggregate might be clearly set forth.

5. I have also to beg that you will intimate to each Head of Department that he is individually responsible for the details entered in his Departmental estimate, for instance in the Ordnance Department, the Inspector General of Ordnance though not cognizant of all the Financial arrangements of the Department is yet fully acquainted with all the details which create expenditure, such as the strength and distribution of all Establishments, fixed and temporary; of demands for Stores, Country and Europe; of the nature and extent of the manufacturing operations; and with such complete information as that Officer can and ought to afford, there will be no difficulty in assigning money rates to the figures which the Inspector General can supply.

*Proceedings of the Madras Government, Financial Department,
2nd November 1860.*

6. The same remarks apply to all Departmental estimates which should show not only the charges to be incurred at each Station but also the supply to be made,—that is, the details for which the expenditure is to be incurred for instance, again the number of men of different Corps to be rationed or dieted in Hospital and what supplies of the various descriptions of articles are to be furnished, and at what rates, also the number of Horses, Mules, Camels, and Bullocks to be fed and for what Corps or Departments, also the Stores to be purchased, of what kinds, in what quantities and for what Departments. By the collection of such data you will perceive that the aggregating of the items into one Departmental estimate by each Head of Department will be easy and that the accuracy of the estimate will depend on its correspondence with the details entered and its clearness on the adoption of an uniform plan of exhibiting such details.
7. The Medical Department should in like manner estimate for the Stores and establishments of the Medical Department, and rates can be assigned by the Commissary General or such other Department as may be practically and officially acquainted therewith.
8. The Commissary General should be requested to show clearly and distinctly in his Departmental estimate, the supplies and charges for which he is personally responsible and to separate from them those supplies which he is bound to furnish on the requisitions of other Departments as well as to specially indicate those rates over which he can exercise no control.
9. The above remark is alike applicable to the Medical, Military, Clothing and Remount Departments. Any one of these Departments having to incur a charge or perform executive functions at the instance of another Department should require from that Department full details to enable it to calculate the value of the requirements so made on it. This course is most necessary as from the circumstances of the service, the movements of troops, the hutting of soldiers, the purchase of Remounts, the supply of Barrack articles, the cost of clothing, the charges for batta, the expenditure for provisions, compensation for high prices, the transport of troops and stores all entail upon one Department or another, expenditure which does not originate therein and regarding which the Supplying is dependant for information on the Indenting Department, which latter is therefore responsible for giving the requisite information.
10. The Military Finance Commission have earnestly to entreat that all charges should be inserted at their minimum rate, that establishments be calculated for on the lowest scale, that no unforeseen or unknown disbursements be included, but that every charge be supported by full and accurate data as far as can be had at the time of preparation; charges that cannot be anticipated or unforeseen contingencies that may arise, are to be considered as matters for supplementary estimates to be specially dealt with.
11. Finally, the Commission suggest that you should issue urgent instructions to the Heads of the several Departments concerned, to submit their respective Departmental estimates to you by the 1st December 1860, and if this be done, it is believed you will have little difficulty in complying with the Commission's request to forward the Presidency estimate by the time specified.

(Signed) R. TEMPLE,
For President Mily. Finance Commission.

(True Copy.)

(Signed) R. S. SIMPSON,
For President Mily. F. Commission.

From C. HUGH LUSHINGTON, Esq., Secretary to the Government of India, to the Military Finance Commission, dated Council Chamber, the 15th October 1860, No. 10,544.
Financial Department.

I am directed by His Excellency the Governor General in Council to acknowledge the receipt of your letter No. 2,612, dated 5th instant, with its enclosure, and in reply to inform you that he considers the 1st January 1861, to be too early a date to fix for the receipt in your Department of the Military Estimates of 1861-62.

*Proceedings of the Madras Government, Financial Department,
2nd November 1860.*

2. His Lordship in Council is of opinion that if that date were fixed, there would not be time sufficient to allow of the preparation of the Departmental estimates with a proper degree of care and precision, and that the general estimates would, in consequence of the defects in the Departmental estimates and in consequence of their being prepared so long before the commencement of the year to which they appertain be too imperfect to allow of a satisfactory allotment of expenditure by this Government to the several heads of service. His Lordship in Council desires therefore that the 1st of February may be substituted for the 1st January, as the date on which the Military estimates of the Accountant General shall be required to reach your Department.

3. I am further desired to observe that it appears from what is stated in the enclosure of your letter, that you wish to dispense with the opinions of the Local Governments in respect to the Military estimates. If this be the case the course of procedure proposed by you is not the course that ought to be adopted. It is essential in the opinion of His Excellency in Council that before the budget estimates are passed by this Government, the opinions of the local Governments in respect to them should be known, and in order to this, it is directed in modification of your instructions, that the Military estimates of Madras and Bombay shall be incorporated in the general estimates for those Presidencies by the Accountants General, and that the general estimates of the Accountants General shall be submitted for revision to the Local Governments, who, after entering their own figures in an additional column, will forward the estimates to this department with such explanations as may appear to be fit. A copy of the Military portions of the Madras and Bombay estimates should, however, be forwarded by the Accountants General direct to your Department as soon as they are prepared, in order to enable you to examine the entries and be in readiness to furnish this Department with your opinions in respect to them by the time that the general estimates are received in this Department from the Local Governments.

4. You are requested to communicate a copy of this letter to the Accountants General at Madras and Bombay, with reference to the letters you have already addressed to them on the subject.

* Letter from the Military Finance Department, to the Secretary to the Government of India, in the Financial Department, No. 2,542, dated 5th October 1860.

Enclosure from the Military Finance Department, to the Accountant General, Bombay, No. 2,638, dated 5th October 1860.

Letter from Financial Secretary to Military Finance Department, No. dated

5. A copy of the correspondence* will be forwarded from this Department, for the information and guidance of the Accountant General to the Government of India. A copy will also be sent to the Governments of Madras and Bombay.

No. 10,546.

Copy of the foregoing correspondence forwarded to the Government of Madras for information and guidance.

(Signed) C. HUGH LUSHINGTON,
Secretary to the Government of India.

No. 6. ORDER THEREON, 2nd November 1860, No. 543.

Ordered that a copy of the foregoing papers be furnished to the Accountant General, and also to the Military Department.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

To

The Military Finance Commission

Financial Dept^y Gentlemen,

I am directed by His Excellency the Governor General in Council to acknowledge the receipt of your letter, No. 2642, dated the 5th Instant, with its enclosure, and in reply to inform you that he considers the 1st January 1861, to be too early a date to fix for the receipt in your Department of the Military Estimates of 1861/62.

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His Lordship in Council is of opinion that if that date were fixed, there would not be time sufficient to allow of the preparation of the departmental estimates with a proper degree of care and precision, and that the general estimates would, in consequence of the defects in the Departmental estimates and in consequence of their being prepared so long before the commencement of the year to which they appertain be too imperfect to allow of a satisfactory allotment of expenditure by this Government to the several heads of service. His Lordship in Council desires therefore that the 1st of February may be substituted for the 1st of January as the date on which the Military Estimates of

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of the Accountant General shall be re-
quired to reach your Department.

3. I am further desired to observe
that it appears from what is stated in
the enclosure of your letter, that you
wish to dispense with the opinions of
the Local Governments in respect to the
Military estimates. If this be the case
the course of procedure proposed by you
is not the course that ought to be adopted.
It is essential in the opinion of His Excel-
lency in Council that before the Budget
Estimates are passed by this Government,
the opinions of the Local Governments
in respect to them should be known and
in order to this, it is directed in modification
of your instructions, that the Military
estimates of Madras and Bombay shall
be incorporated in the General Estimates
for those Presidencies by the Accountants
General, and that the general estimates of
the Accountants General shall be submitted
for revision to the Local Governments who, after
entering their own figures in an additional
column, will forward the Estimates to this
Department with such explanations as
may appear to be fit. A copy of the
Military portions of the Madras and Bombay
estimates should, however, be forwarded
by

Order thereon. 2^d November 1860. No 543

Ordered that a copy
of the foregoing papers be for-
warded to the Accountant Gene-
ral, and also to the Military
Department.

To the Accountant General's
Military Department. 3rd Nov 1860.
No 543.