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MADRAS RECORD OFFICE.

Government of Madras.

Financial **DEPARTMENT.**

G.O. No.	Press Mis.
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12-6-39

Proceedings of the Madras Government, Financial Department,
23rd March 1861.

No. 53. Read the following letter from R. P. HARRISON, Esq., Accountant General, to T. PYCROFT, Esq., Chief Secretary to Government, Fort Saint George, dated 4th March 1861, No. 423.

Financial Department.
(Account.)

With reference to paragraph 53 of the Report from the Budget and Audit Committee, No. 6, dated the 27th October 1860, communicated with the Orders of the Government of India, dated the 14th November following, I have the honor to submit herewith, the Budget

No. 11,311. Estimates of 1861-62 prepared in this Office (agreeably to the Forms received from Calcutta and distributed by Government to the several Departments of the service) accompanied by a General Abstract of the expected income and charges of this Presidency, drawn up in the form given in paragraph 17 of the above Report.

2. The heads under which no transactions are expected have been left blank in the General Abstract, agreeably to the directions given in paragraph 48 of the same Report. It has been necessary to add, on the disbursement side, one section under the designation E, in order to exhibit the charges on account of Public Works, "Internal improvements," a change rendered necessary, in consequence of the subsequent receipt of the Proceedings of the Government of India noted in the margin.* The disbursements therefore terminate with I, instead of H.

* *25th January* 1861, *No.* 970, *Financial Department.*

3. The General Budget Estimates are now all complete, the Inspector General of Jails having sent in his Returns on the 27th ultimo. These Estimates would have been submitted to Government at an earlier date, had the Departmental Estimates been correctly prepared, and transmitted to this Office in due time, but many of the latter did not reach this Office before the middle of February and some not until the end of that month. Of 52 Returns received from the Collectors, Judges, &c., in the Mofussil, 10 were returned for correction. References were made for information regarding 11, and the whole 52 underwent examination and revision in this Office, as will be seen on reference to the original Departmental Estimates, which are herewith forwarded. Sixty-six Estimates were received from the different Offices at the Presidency, and of these 22 were returned for correction, and references had to be made for information regarding several others.

4. With reference to paragraph 52 of the Report of the Budget and Audit Committee, it was not necessary in preparing in this Office the General Budget Estimates, that the full details given in the Departmental Estimates, should be exhibited, but merely the details given in the comparative *Abstracts* marked XYZ, as the Departmental Estimates, forming Appendices† to the Abstract, were to be sent in original; but as the Estimates of the Collectors and Judges had to be examined and collated in this Office, a duty which I believe should properly have devolved on the Board of Revenue and the Sudr Court, the necessary details required by the Forms received from Calcutta, have been supplied in the General Budget Estimates, in addition to the Abstracts just alluded to.

† *Vide paragraph 53 of the Budget and Audit Committee's Report.*

5. The plan I have adopted, though it involved on this Office considerable labor, (which was got through by attendance at extra hours and on holidays of those engaged in the work, including the Printing Establishment) renders it unnecessary to refer to Departmental Estimates for minute details, which are at once given, in a clear manner, in the printed forms; and the Estimates are thus complete‡ in themselves. The same course has been adopted as regards all other Estimates, except those noted in the margin||, which were not received in time to admit of my entering details.

‡ *With necessary explanatory notes.*

|| *Ecclesiastical charges.*
Jail charges.
Superannuation and retired allowances. } *Civil Auditor.*
Allowances and Assignments under treaties and engagements. }

6. The Inspector General of the Medical Department omitted to supply in his Estimate, the information required in the columns headed "number" and "amount of 1860-61;" and

the Inspector General of Jails has omitted to classify his Establishment as required by the form. They have been addressed on the subject, and when this information, and also the details from the Civil Auditor's Office, as regards Superannuation and retired allowances, &c., are received, they will be transmitted to the Government of India. It however seems to me that the Estimates which the Civil Auditor has been this year called upon to prepare, should be furnished Departmentally,* with the necessary details as required by the Bengal Forms, as each Department will be better able to judge the probable amount of new grants; and lapses might be estimated on the average of a few years' actual results.

* *In a separate Estimate.*

7. I shall now proceed, briefly, to review the Revenue and Receipts, and the Disbursements of 1861-62, compared with 1860-61, as entered under the different heads in the General Abstract above alluded to.

8. The total amount of expected Revenues and Receipts for 1861-62 amount to Rupees 11,98,02,970, and compared with the Estimate of 1860-61, which amounts to Rupees 12,23,58,430 exhibits a *net decrease* of Rupees 25,55,460. The heads, "Opium," "Post Office" and "Electric Telegraph" are left blank, because there are no transactions in this Presidency on account of the first item, and the receipts under the third, are treated as Imperial receipts and included in Section XVIII, *i. e.* Remittances from other Governments—while those under the second, viz., Post Office, have been ordered by the Government of India to be excluded† from the Budget Estimates. The Cash transactions of that Department will be included in the Estimate of "Cash requirements," which will be prepared and transmitted direct to the Financial Department of the Government of India. The amount of Postage on Official letters and packages, debited to the several Departments of the service, as shown in the margin,‡ has, however, been credited per contra to the Government of India under Section XVII, *i. e.* Adjusted Receipts on account of other Governments.

† *Extract Proceedings of the Government of India, 7th February* 1861, *No.* 1,276.

‡ *Estimate B, Class I, Revenue Department*..... Rs. 1,15,000
Do. C. Army..... ,, 1,30,000
Do. F. Class II, Salaries and expenses of Public Departments. ,, 1,18,000
Do. do. Class III, Law and Justice..... ,, 37,000
4,00,000

9. The principal decrease occurs in the heads noted in the margin,|| as will be seen on reference to the General Abstract. The decrease in the first head arises from the expected transfer of the whole of the Military Abkary Collections to the Civil Department, to fewer horses and cattle and Clothing Stores, being expected to be sold, to no Hutting§ money advances to Native Troops being expected to be recovered in 1861-62 as in 1860-61, in which latter year, about a lac of Rupees was estimated by the Military Auditor General on that account, and to less amount of retrenchments, &c., being expected by the Military Auditor General, to be recovered in 1861-62. In the second¶ head it is owing to 2½ and 3 Pies Treasury Bills having been transferred in 1860-61, in subscription to the 5 and 5½ per cent. loans—which, of course, is not expected in 1861-62. In the third head it is attributed to larger provision having been made in 1860-61, for advances to be made by H. M.'s Deputy Commissary General in China for

|| *Section XV, Miscellaneous, Military*..... Rs. 5,01,400
,, *XVI, Public Debt*..... ,, 3,32,200
,, *XVII, Adjusted receipts on account of other Governments*..... ,, 4,60,900
,, *XVIII, Remittances from other Governments.* ,, 32,55,100

§ *No advances being expected to be made in* 1861-62, *either for compensation for Huts or for Hutting money—Vide paragraph* 19 *of the Military Auditor General's Report to Government on the Budget for* 1861-62, *dated* 11*th January*, 1861, *No.* 23.

¶ *N. B.—The decrease in the other items comprized under this head, is counterbalanced by a corresponding increase chiefly in suspense account assumed with reference to the expectation of Collectors—See paragraph* 13 *of this Report "Public Debt."*

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payment of Madras Troops on field duty there: the greater part of the Troops having returned to India, smaller provision is made in 1861-62: and also to the amount of Postage on official letters and packages debited to the different Departments of the service and credited to the Government of India, being smaller in 1861-62 than in 1860-61. In the fourth and last head, the large decrease is due to Stores expected from the Home Government, to the value of 23 lacs, being less estimated in 1861-62 compared with 1860-61, owing to the restrictive orders of the Government of India, dated 23rd April 1860, No. 31; to Bills to the extent of Rupees 10 lacs specially drawn in 1860-61 on the Sub-Treasurer at Calcutta not being expected to be drawn in next year, to Funds for payment of Madras Troops in Burmah and in the North West Provinces, to the amount of 5½ lacs of Rupees being expected to be drawn less in next year, owing to the withdrawal and reduction of Troops; and to 2 lacs of Rupees received in 1860-61 from the Superintendent of Coorg into H. M.'s Treasury under the Commissioner of Mysore, under special instructions from the Accountant General to the Government of India, not being estimated for in 1861-62. As a set off against the above decreases, there is an expected increase of 10 lacs of Rupees in the Traffic earnings of the Railways, owing to the anticipated extension of the Madras Railway line to Beypoor, and also to the expectation that the Great Southern of India Railway line will be opened for traffic in 1861-62.

10. Increase of importance is also expected in the heads marginally indicated. In Land Revenues, &c. the increase is owing to the upfavorable nature of the season in 1860-61, better results being anticipated of the next season. In the second head the increase is ascribable to Income Tax being estimated for the entire year 1861-62, whereas the Estimate of 1860-61 includes the probable Collections for 9 months only: it is also owing to provision being made in the Estimate for next year on account of License and Tobacco Taxes, while the Estimate for the present year contemplates the receipts from the Moturfa Tax only. The increase in the third item is due to the revision of the Tariff in December 1860, which increased the valuation rates of different articles. The excess in the last item is expected under the operations of Act XXXVI of 1860, which took effect in October of that year, and hence the Estimate of 1860-61 contemplates the increase for only 7 months, whilst that for 1861-62 includes the probable collections for the entire year.

Section I, Land Revenue including Sayer and Abkaree..... Rs. 4,19,180
Do. II, Assessed Taxes..... ,, 11,48,380
Do. III, Customs..... ,, 1,92,990
Do. VI, Stamps..... ,, 3,66,240

Vide *Fort Saint George Gazette*, 10*th December* 1860.

11. The estimated disbursements during 1861-62, aggregate Rupees 12,05,41,040, and compared with 1860-71, viz., Rupees 12,85,73,010, exhibit a *net* decrease of Rupees 80,31,970. The decrease is to be found chiefly in the heads marginally indicated. In the first head it arises from provision having been made in the Estimate for 1860-61, for payment of 2½ lacs of Rupees to the Zemindar of the Nidadavole Estate in the Godavary District, being the claim made by him, and admitted by Government, on account of surplus collections due to him from August 1852, when the Estate was purchased by Government, to February 1860, the time of its restoration: also to a sum of one lac of Rupees having been provided for payment to the Zemindar of Davaracottah Estate in the Krishna District on account of compensation allowed to him, in consequence of the abolition in 1820, by order of Government, of the collection of certain fees formerly collected in his Estate, known as "Dismuk Resums" or "Durbar Charges." In the second head the decrease is partly ascribable to arrears of stipends due to Prince Azeem Jah Bahadoor from 1855, amounting to Rupees 6,30,000, being included in the Estimate of 1860-61; whereas, in the Estimate of 1861-62,

A. Allowances, Refunds and Drawbacks..... Rs. 3,49,530
B. Class II, Allowances and Assignments under Treaties and engagements..... ,, 12,76,350
C. Army..... ,, 60,83,800
H. Adjusted charges on account of other Governments..... ,, 10,37,600
I. Remittances to other Govts.... ,, 24,41,100

Letter C.

provision is made for the current year's stipend only; and partly to a large amount of Tanjore Pensions having been estimated to be commuted in 1860-61, which increased the expected charges of that year and reduced those of the succeeding year. The decrease in the third item, viz., "Army," as compared with the regular Estimate, amounts to Rupees 60,83,800. The Estimates received from the Military Auditor General and Controller of Military Finance are herewith transmitted, together with the copy of his Report to Government which was furnished to this Office, agreeably to the Orders of the Government* of India, dated 15th October 1860, No. 10,546, paragraph 3. It has been found necessary to make some additions to, and deductions from, the Military Estimates of which full explanation is given in a letter addressed to the Military Finance Commission, under date the 20th ultimo of which the following is a copy:

The original Estimates of the Military Auditor General and Controller of Military Finance were forwarded to the Military Finance Commission by the second Steamer in January, under the order of Government in the Military Department, dated the 19th January, and were not opened in this Office.

* *Madras Government Order, 2nd November 1860, No. 543, Financial Department.*

Paragraph. 1. "With reference to my Telegram dated the 16th instant, I have the honor "to transmit, herewith, a printed copy of the "Estimate C, showing the total amounts of "Titles I and II of the Budget Estimates of the "Military Auditor General and Controller of Military Finance, for 1861-62."

Title I, Charges Military personnel.
„ II, „ „ Material.

(2.) "You will perceive that I have added to Title I† the sum of Rupees 2,85,900, being "the pay and allowances of Troops which "returned from China subsequent to the prepar- "ation of the Military Budget, the details "whereof were forwarded to you by Colonel McGoun, in his letter dated the 7th instant, and "deducted therefrom Rupees 46,000, the estimated cost of the Troops stationed at Labuan which "is chargeable to the Crown, and which is included in the above sum of Rupees 2,70,65,790 "The result is a net amount, under Title I of Rupees 2,73,05,690."

† *Rupees* 2,70,65,790.

(3.) "From Title II, the sums of Rupees 16,19,270, and Rupees 2,19,770 have been "deducted. The former is the amount of reserve stock, erroneously included by the Commissary "General in his Estimate furnished to the Military Auditor General, but subsequently rectified, "(the Order of the Madras Government on the subject, with the statements which accompanied "it, were forwarded to you on the 7th instant by the P. and O. Company's Steamer "Malta,") while "the latter is the amount value of Commissariat supplies expected to be made on account of the "Civil Departments and other Governments; agreeably to a separate Estimate received from the "Military Auditor General, a copy of which is enclosed, and which has been debited under "their respective Departments and Governments. The net amount therefore under Title II is "Rupees 62,61,960, which added to the net amount under Title I, referred to in paragraph 2, "viz., Rupees 2,73,05,690 will aggregate Rupees 3,35,67,650."

(4.) "As the value of Stores expected to "be received from England for the use of the "Ordnance, Medical, Clothing and Commissariat "Departments was not included in the Army Estimates, and as the Accountant General‡ to the

‡ *Telegram dated 19th January* 1861.

"Government of India directed that the same should be entered, as usual, in the Budget Estimates, "and further that the value of Military Stores "should be added to the Military Estimate and "notified to the Military Auditor General, I "have accordingly added Rupees 7,29,000§ to "the above sum of Rupees 3,35,67,650 and also "the items noted in the margin|| which are "debitable to the Military Department."

§ *One-third value of Medical Stores has been debited to the Civil Department, agreeably to the opinion of the Inspector General of Medical Department.*

|| *Superannuation Pensions to Uncovenanted servants on the Establishment of Military Public Offices..... Rs.* 45,100
Postage on Official letters and packages..... .... „ 1,30,000
Loss in issuing Hyderabad Rupees to the Troops..... ..... „ 31,000
Rupees 2,06,100

(5.) "I have likewise added Rs. 10,75,550 "and Rs. 19,600. The former is the estimated "outlay on repairs and construction (including "proportion of Salaries, Establishments, &c., "of the Department of Public Works) of Mili- "tary Buildings and Fortifications, debitable to "the Military Department, agreeably to the Proceedings of the Government of India, dated 25th "January 1861, No. 970, and the latter is the cost of the Establishment of the Military Depart- "ment of this Office, which, agreeably to the Telegram from the Officiating Secretary to the "Government of India, Military Department, "dated 1st instant,* is to be transferred to "Major Gomperiz."

* *Order of Madras Government, 5th February 1861, No. 459.*

(6.) "The result of the additions referred to in the two preceding paragraphs is shown in "the accompanying detailed Estimate, which amounts to Rupees 3,55,97,900. This amount "will be entered in the General Budget under preparation in this Office, which compared with the "regular Estimate for the present year, 1860-61, exhibits an expected decrease in 1861-62 of "Rupees 60,83,800."

12. The decrease in the fourth† item is principally owing to a small provision being made in the Estimate of 1861-62 under the head "China," in consequence of the withdrawal of the greater portion of the Troops, owing to the cessation of hostilities. The decrease in the fifth‡ and last item, is occasioned by advances on account of the Railways not being expected to be made to the same extent as was anticipated in the Estimate of 1860-61, and to no remittances to Bombay and the Punjab being provided for in 1861-62, whereas in 1860-61, provision was made to the extent of 7¾ lacs of Rupees.

†*Adjusted Charges on account of other Govts.*

‡ *Remittances to other Governments.*

Decrease.	
Advances on account of the Railways	16,52,800
Remittances to Bombay and the Punjab	8,00,000
	24,52,800
Deduct increase.	
In advances on account of the Irrigation and Canal Company...	3,00,000
Net...	21,52,800

13. Large increase, on the other hand, occurs in the heads shown in the margin. In the first head it is attributable principally to the sum allotted by the Government of India, to be expended in 1861-62,§ on Public Works, being larger than for 1860-61; and hence the amount provided for the different description of works which come under this head, is proportionately increased. I beg to refer to my letter to the Secretary to Government in the Public Works Department, dated 26th ultimo, No. 417, and enclosures,|| which latter were prepared and forwarded to that Officer agreeably to the orders of the Government of India, noted in the margin.¶ In the second head the increase is due to provision being made in the Estimate of

E. Public Works Internal improvement...	*Rs.*	4,35,450
F. Civil Service...	„	13,07,370
G. Public Debt...	„	10,53,360
§ *In* 1861-62...	*Rupees*	70,00,000
In 1860-61...	„	62,97,000
		7,03,000

|| *Nos.* 1 *to* 3.

¶ *Dated 22nd September* 1860, *No.* 4,945, *Public Works Department, 6th paragraph.*

District of Trichinopoly with but one large town and that of only about 50,000 inhabitants is rated at 50,000 Rupees.

11. In Stamps an increase is expected of Rupees 3,66,240. As the Stamp Act XXXVI 1860 only came in force on the 1st October last, the Government think that a larger increase will not improbably be realized in 1861-62. This would certainly be the case if the exemption was abrogated, under which transactions in which the Government can by any ingenuity of construction be termed a party, however little in reality they may be interested, are relieved from Stamp duty. The Government would suggest that on an opportunity occurring, this exemption be given up, and parties dealing with or receiving money through the medium of Government, be put on the same footing as persons similarly concerned with private individuals. A shopkeeper receiving money in payment of his bill from a private person, or a creditor receiving payment of a debt from his debtor, have to pass stamped receipts. There seems no reason why a different course should be pursued, when goods are sold on the public account to a Government Officer, or when money realized in execution of a Judicial decree is paid to a Plaintiff from a Court Treasury.

See letter to Government of India, Revenue Department, dated 14th Feb. 1861, *No.* 349.

XV. Miscellaneous.
Civil.
Military.
XVI. Public Debt.
XVII. Adjusted receipts on account of other Governments.
XVIII. Remittances from other Governments.

12. The cause of the several decreases under the last four heads of the Abstract Statement as per margin are explained by the Accountant General, in paragraph 9 of his letter.

13. On the whole this Government consider that the receipts of 1861-62 may with safety be assumed at the gross sum shown in the Abstract Statement, No. 1, and that looking to the probable improvement in the Salt and Stamp Revenue, the receipts will very probably show an increase above that sum.

Disbursements.—14. The disbursements estimated for 1861-62 amount to Rupees 12,05,50,040, and are below those of 1860-61 in the sum of Rupees 80,31,970. There is an increase under the heads :

B. 1.	Charges against Income Revenue Department...	Rupees	1,17,790.
E.	Public Works Internal Improvement	„	4,35,450.
F.	Civil Services, including Marine	„	13,07,370.
G.	Public Debt.....	„	10,53,360.

15. The cause of this last increase (G) is explained by the Accountant General in the concluding part of para. 13 of his letter of the 4th instant. In para. 11 of the same letter Mr. Harrison has also explained the reasons of the decreased disbursements expected under the two heads noted in the margin. In reference to the explanation under the last of those heads (B.11) it may be noted that His Highness Prince Azeem Jah Bahadoor has not drawn and probably will not draw the whole of his arrears in the course of the current year. If as is likely he draw no more stipend, arrears or current, before the 1st May next, the amount then due to him will be Rupees 3,54,250 which must be provided for in the coming year and will reduce the increase under head B. 11 from Rupees 12,76,350 to Rupees 9,22,100.

A. Allowances, refunds and drawback.....	*Rs.*	3,49,530
B. 11.—Allowances and assignments under Treaties and Engagements.....	„	12,76,350

See B. 11.—*Allowances and assignments under Treaties and Engagements X. Y. Z.—Note to No.* 1.

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* *Rupees* 1,17,790.
B.—Charges against Income.
1 *Revenue Department, X, Y, Z.*
Estimate B. 1.
1 *Land Revenue including Abkari.*

		Rupees.
(*a.*)	*Increase*.....	21,960
(*b.*)	„	1,32,980
(*c.*)	„	61,880
(*d.*)	„	51,200
		Rupees.
(*e.*)	*Decrease*.	1,15,140
(*f.*)	„	66,760

16. Of the anticipated increase* in Revenue charges Rupees 72,590 is the net increase in the charges against Land Revenue, mainly under the heads of Inam (*a*) Commissioner, Revenue (*b*) Settlement and Survey, Conservator (*c*) of Forests and Public (*d*) Works, and arising from an expected extension of operations under those several heads, the total increase on account of these heads being only partially compensated by the decrease in the salaries and establishments (*e*) of Collectors, Sub Collectors and Assistant Collectors, and by a decrease in the Abkari (*f*) charges in consequence of the purchase of a smaller quantity of Colombo Arrack for the service of the Abkari for the Town of Madras.

B 1.—*Assessed Taxes—Customs.*

(*g.*)	*Rupees*	48,580	
(*h*)	„	14,930	
(*k.*)	„	7,530	
(*l.*)	„	25,920	
(*m.*)	„	30,600	

17. An increase is expected in the charges on account (*g*) of assessed Taxes and Stamps (*h*) as the Income Tax Act and new Stamp Act will be in force throughout 1861-62, while they were in operation for a part only of 1860-61. There is an increase also in Customs (*k*) charges on account of establishments, and in those on account of Superannuation *l*) Pensions. In Salt there is a decrease (*m*) chiefly in the value of Salt purchased and Salt manufacturers' share.

18. The Army charges according to the Estimates furnished by the Military Auditor General and Controller of Military Finance and revised by the Accountant General in the manner shown in paragraph 11 of his letter of 4th instant, exhibit a decrease of more than 60 lacs of Rupees, a result which cannot fail to be highly gratifying to the Government of India The Government have commented on these Estimates in a separate Extract from their Proceedings in the Military Department, which is attached to this letter. The remarks, I am instructed to state, which are made in the third paragraph of that Extract are applicable to the Civil no less than to the Military Estimates. Looking to the novelty of the system, and the disadvantages attendant on the preparation of this the first Madras Budget, it may prove on trial, which is the only true test, that provision has not been made for all necessary items or that the provision made in certain cases is not sufficient. The Government will strive as far as possible to avoid the submission of supplemental Estimates, but they do not doubt that if they should eventually be compelled to submit any, these will receive liberal consideration from the Government of India.

Public Works Internal Improvements.—19. The increase under this head, Rupees 4,35,450, arises from the larger allotment made for Public Works for the approaching year. The Public Works Budget, I am to observe, was transmitted to the Government of India, with a letter dated 31st January 1861, No. 215, and Extract from the Financial Budget prepared in the Accountant General's Office showing the anticipated receipts and charges of all Public Works were transmitted in a letter of 4th March 1861, No. 422, with a letter from the Accountant General, 26th February 1861, affording explanation as to the difference between the two Budgets. No further notice of the subject is therefore here called for.

F.—Civil Service.

Increase under all heads..... Rupees 13,07,370

* *Increase..... Rupees* 12,43,890

20. In the Estimate F. for the Civil Service there is a net increase under all heads of Rupees 13,07,370, nearly the whole of which has occurred under the head of Police,* in consequence of the anticipated extension of the sphere of action of the Mofussil Police during the years 1861-62, F. 1. Under the head "salaries and expenses of Civil Departments," there is a net increase of 48,300. The chief items of increase

are Local Council 39,500, this item for 1861-62 having been calculated at its full amount, whereas for a considerable part of 1860-61, the salary of the Senior Member of Council was not drawn, the Honorable W. A. Morehead having acted as Governor on the recall of Sir C. Trevelyan and death of Sir Henry Ward. There is an increase of Rupees 90,350 in the Medical Department. Of this amount Rupees 53,100 is the ⅓rd value of Medical Stores expected from Europe, included in the Estimate in accordance with instructions from the Finance Department, and the remainder is an excess in the Commissariat charges according to an Estimate furnished by the Auditor of Commissariat Accounts.

21. In the head "Law and Justice" there is an estimated increase on the whole of Rupees 44,150. The main heads of increase are for the Supreme Court, Rupees 24,070, salary of the Chief Justice which on account of the death of the late Sir H. Davison was not drawn for some months of 1860-61, but may be expected to be drawn in full during the ensuing official year. Under the head of Civil and Sessions Courts there is an increase of Rupees 1,10,630.† This arises from the salaries of all the Civil and Session Judges having with few exceptions‡ been calculated at the full standard rates, whereas in the regular Estimate for 1860-61 allowance has been made for deductions on account of absence. It may be assumed however that deductions on a similar account will have to be made during 1861-62, but to what precise amount cannot be foreseen. As respects Courts below Civil and Session Courts, I am to observe that this Government are actively engaged in revising them. Since the Estimates were prepared, the Mufti Sudder Ameens' Courts at Bellary and Masulipatam have been abolished—the Establishment of the Principal Sudder Ameen at Nellore has been dispensed with, consequent on the transfer of this Officer to Mangalore—and the Sub Judges' Courts at Chittoor and Cuddapah have been temporarily closed and Principal Sudder Ameens' substituted. The temporary Principal Sudder Ameen's Court at Madura will be dispensed with after the 30th April next, and the Government propose shortly to close the Sub Judge's Court at Mangalore, and to appoint a Principal Sudder Ameen in his place. The result on the whole will be a saving of Rupees 47,148. The Government might perhaps have been able to effect further reductions had they not been prevented from availing themselves of the Small Cause Court Act XLII of 1860, for reasons explained in my letter of the 2nd instant, No. 287.

† *Against this however is to be put a decrease in deputation allowance* 6,500, *in place of Rupees* 34,820. *It should also be remarked that the Estimate for* 1860-61 *does not include the absentee allowance of Judges drawn in England.*

‡ *Allowance has been made for deductions on account of Judges now absent but expected to return within the year, but not for deductions on account of Judges who may take leave on Medical Certificate during the year.*

Police F. IV.—22. The increase in the Mofussil Police, Rupees 12,71,240,* proceeds from the expected extension of its operations. The Districts of Ganjam, Vizagapatam, Godavery and Kistna, Tinnevelly, Trichinopoly, Malabar, South Canara, Salem, Bellary and Kurnool will it is hoped be taken up altogether, whereas in 1860-61, the new Police were not introduced into the five first Districts at all, and only partially so in the remaining six Districts.

* *Allowing for a saving of Rupees* 52,340 *in the Sibbendi Corps.*

The increase under the head of Madras Penitentiary arises from its having been debited with the cost of victualling the Convicts, Rupees 17,650, which has hitherto been done by the Commissariat, but from the 1st May next will be carried out by the Commissioner of Police and the supplies procured by contract on tenders invited by public advertisement. It has lately been the endeavour of this Government to relieve the Commissariat as far as possible from supplying Civil Departments, and confine them to Military duties only.

F. V. Education, Science and Art.—23. There is a net increase under this head of Rupees 28,960. The several items of increase are explained in the Notes ad loca. The main increase is under the head of Schools, Rupees 24,720. This, as explained in the Note submitted by the Director of Public Instruction, arises in part from increased salaries to which the Teachers of Anglo Vernacular Schools will become entitled on passing the prescribed examinations, partly from the establishment of additional Normal Schools and partly by an extension of the grant-in-aid system. It is explained by Mr. Arbuthnot that although the entire expenditure on Schools as estimated for 1861-62 exceeds, by Rupees 1,254-9-4, the aggregate of the various sums which the Madras Government are at present authorized to disburse under this head, it is less by Rupees 30,149-6-8 than the amount which they would have been at liberty to disburse if the expenditure on Provincial Zillah and Talook Schools sanctioned by the Government of India on 5th January 1856, had been permitted to proceed.

The total amount estimated for Education, Science and Art for the year 1861-62 is 6¼ lacs. It is much to be regretted that no larger sum can be devoted to these important objects in a country with a population numbering more than twenty-two millions, but the Government are aware that the restriction is unavoidable.

F. VIII. Marine.—24. There is a decrease on the whole in the estimated expenditure on this head in consequence of a smaller expected outlay for Coal and Commissariat supplies. There is an increase (Rupees 8,370) in Marine establishment at the out-ports—arising from the expected appointment of Marine Officers at the ports in Ganjam and other Districts, and from small additions to the wages of the Subordinates, such as Light-keepers, Lascars, &c. Also an increase under the head of Light houses, Rupees 3,980. These charges are, however, defrayed in part from the Port Funds which are expected to show an increase in 1861-62, above 1860-61, of Rupees 3,600.

Estimate Revenue and receipt No. XII, Marine.

I. Remittances to other Governments.—25. In this Statement the advances on account of the Railway Companies' Capital Account for 1861-62, are estimated at:

Madras Railway.....	Rupees	76,26,440
Great Southern of India Railway..	„	12,85,000

The Estimate for the Madras Railway will however be subject to revision according to the decision that may be arrived at on the extent to which, and manner in which, the works are to be prosecuted on which point reference is requested to my letter to the Government of India in the Public Works Department of this date No. 234. Supposing the South West Line to be finished in the most inexpensive manner possible—the North West Line to be proceeded with only so far as Cuddapah also in the most inexpensive fashion and with masonry works above the foundations adapted to a single line only—the expenditure for these branches in 1861-62 will be as per margin, and this charge will be increased by Rupees 76,260, or by Rs. 8,00,000 according as it may be determined either to close the Bangalore branch altogether or to execute so much work only as is proposed by the Consulting Engineer in his letter of 6th March 1861, viz., by confining operations to earthwork and rock cutting.

South West Line....	13,74,000
North West Line.....	30,00,000
Add for securing works between Cuddapah and Bellary...	1,76,000
	45,50,000

According to a Memorandum furnished by the Consulting Engineer for Railways.

26. In concluding these observations, I am instructed to submit, that the letter from the Accountant General and his Budget Estimates were only laid before Government on the 4th instant, and it will be necessary to forward them to Government of India by the Steamer expected at Madras on the 28th instant. For the Government of Madras within that limited period, and in addition to its other duties, to canvass seriatim the multitudinous entries in these accounts and review them in detail is simply impossible. All that they have been able to effect is to acquaint themselves generally with the Estimates and comment upon the more salient points connected with them. Apart from the great heads of Public Works and Army charges which have been separately disposed of, the main heads of expenditure for examination are the charges against Income Revenue Department, B. 1, and the charges on account of the Civil Service F. These are for the most part made up of fixed and sanctioned establishments, and of expenditure necessary for the procuring of supplies for carrying on the public service as in the purchase of Salt to be resold at a very large (monopoly) profit, of Coal for Government Steamers, &c. The existing establishments

can only be dealt with gradually and after due inquiry. For some time past, as the Supreme Government have been informed, one Member of the Board of Revenue Mr. Pelly has been specially charged with the duty of revising the Revenue establishments, and another Member Mr. Clarke has been inquiring into the Salt Revenue, its receipts and charges. The Government have also had under their immediate revision the Judicial establishments. They do not anticipate that in the Estimates now submitted there will be found much field for retrenchment, but it will be their study to review them carefully as their leisure permits and to carry out every reduction consistent with the due furtherance of the public interests. Meanwhile they trust that the Estimates of charges now forwarded may pass without material alterations. They hope that they may not be harrassed with petty references or objections, but that a liberal confidence will be reposed in them. They have already given an unmistakeable earnest of their zeal for the diminution of expenditure, by spontaneously carrying out Military reductions, which in less than a year and a half, or from 1st August 1859, to 1st January 1861, have reduced the troops serving on their establishment from 91,895 to 63,866 men or by nearly a third of their former number. Their exertions in this as in other reductions have been handsomely acknowledged by the Supreme Government both in their Despatches, and in the Legislative Council. They are fully impressed with the extreme gravity of the present financial crisis, and if favored with the support and confidence of the Supreme Government will not intermit their efforts in the cause of economy, and retrenchment of all avoidable expenditure.

Vide Supra para. 21.

Return from Adjutant General, 28th January 1861, attached to the letter to the Secretary to the Government of India, Military Department, with the Governor General, 24th January 1861, *No.* 306.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

13

Financial Department
(Account)

Fort Saint George,
Accountant Genl's Office,
4th March 1861.

No. 423

From
R. P. Harrison Esquire
Accountant General

To T. Pycroft Esquire
Chief Secretary to
Government

Sir

No. 11311

With reference to para 53 of the Report from the Budget and Audit Committee No. 6 dated the 27th October 1860, communicated with the orders of the Government of India dated the 14th November following, I have the honor to submit herewith, the Budget Estimates of 1861/62 prepared in this Office (agreeably to the Forms received from Calcutta and distributed by Government to the several Departments of the service) accompanied by a General Abstract of the Expected Income and charges of this Presidency, drawn up in the form given in

para

para 17 of the above Report.

2 The heads under which no transactions are expected have been left blank in the General Abstract, agreeably to the directions given in para 48 of the same Report. It has been necessary to add, on the disbursement side, one section under the designation E, in order to exhibit the charges on account of Public Works, "Internal improvements", a change rendered necessary, in consequence of the subsequent receipt of the Proceedings of the Government of India noted in the margin. The disbursements therefore terminate with I instead of H.

× 25th January 1861. No. 970. Finl. Dept.

3 The General Budget Estimates are now all complete, the Inspector General of Jails having sent in his returns on the 27th Ultimo. These Estimates would have been submitted to Government at an earlier date, had the Departmental Estimates been correctly prepared, and transmitted to this Office in due time, but many of the latter did not reach this Office before the middle of February and some not until the end of that month. Of 52 returns received from the Collectors, Judges, &c. in the Mofussil 10 were returned for correction. References were made for information regarding 11, and the whole 52 underwent Examination and revision in this Office, as will be seen on reference to the original Departmental Estimates, which are herewith forwarded. Sixty six Estimates were received from the different Offices at the Presidency, and of these 22 were returned for correction, and references had to be made for information regarding several others.

4 With reference to para 52 of the Report of the Budget and Audit Committee it was not necessary in preparing

preparing in this Office the General Budget Estimates, that the full details given in the Departmental Estimates, should be exhibited, but merely the details given in the Comparative Abstracts marked XYZ., as the Depart-mental Estimates, forming Appendices* to the Abstract, were to be sent in original; but as the Estimates of the Collectors and Judges had to be ex-amined and collated in this Office, a duty which I believe should properly have devolved on the Board of Revenue and the Sudr Court, the necessary details required by the Forms received from Calcutta, have been supplied in the General Budget Estimates, in addition to the Abstracts just alluded

*vide para 53 of the Budget and Audit Com-mittee's Report.

alluded to.

5 The plan I have adopted, tho' it involved on this Office consi-derable labor, (which was got through by attendance at extra hours and on holidays of those engaged in the work, including the Printing Esta-blishment) renders it unnecessary to refer to Departmental Estimates for minute details, which are at once given, in a clear manner, in the printed forms, and the Estimates are thus complete in themselves.+

+ with necessary explanatory Notes.

The same course has been adopted as regards all other Estimates, except those noted in the margin, which were not received

⊛ Ecclesiastical charges.
Jail Charges.
Superannuation & Retired Allowances.
Allowances and Assignments under Treaties and Engagements.
Civil Auditor.

received in time to admit of my entering details.

6. The Inspector General of the Medical Department omitted to supply in his Estimate, the information required in the columns headed "Number" and "Amount of 1860/61;" and the Inspector General of Jails has omitted to classify his Establishment as required by the forms. They have been addressed on the subject, and when this information, and also the details from the Civil Auditors Office, as regards Superannuation and retired allowances, &c., are received, they will be transmitted to the Government of India. It however seems to me that the Estimates which the Civil Auditor has been this year called upon to prepare, should be furnished Departmentally with the necessary details as required by the Bengal Forms; as each Department will be better able to judge the probable amount of new grants, and lapses might be estimated on the average of a few years actual results.

In a separate Estimate.

7. I shall now proceed, briefly, to review the Revenue and Receipts, and the Disbursements of 1861/62, compared with 1860/61, as entered under the different heads in

in the General Abstract above alluded to.-

8 The total amount of exceeded Revenues and Receipts for 1861/62 amount to Rupees 11,98,02,970.- and compared with the Estimate of 1860/61, which amounts to Rupees 12,23,58,430 exhibits a net decrease of Rupees 25,55,460. The heads, "Opium" "Post Office" and "Electric Telegraph" are left blank, because there are no transactions in this Presidency on account of the first item, and the receipts under the third, are treated as Imperial Receipts and included in Section XVIII, ie Remittances from other Governments - while those under the second, Viz[z] Post Office have been ordered

ordered by the Government of India to be excluded from the Budget Estimates. But the Cash transactions of that Department will be included in the Estimate of "Cash requirements," which will be prepared and transmitted direct to the Financial Department of the Government of India. The amount of Postage on Official letters and packages, debited to the several Departments of the service, as shewn in the margin, has however, been credited per Contra to the Government of India under Section XVII, ie

Extract Proceedings of the Gov[t] of India 7th February 1861 N[o] 1276.

Adjusted Receipts on account of other Governments.-

9. The principal decrease occurs in the heads noted in the margin, as will be seen on reference to the General Abstract - The decrease in the first head arises from the Arrears Collections to the Civil Department, to fewer horses and Cattle and Clothing Stores, being expected to be sold, to no Hutting Money advances to Native Troops being expected to be recovered in 1861/62 as in 1860/61, in which latter

Estimate B Class I Rev[e] Dep[t] R[s] 115,000.
D[o] — C - Army — " 130,000.
D[o] — F - Class II Salaries and Expenses of Public Dep[t] " 118,000.
D[o] — do Class III Law and Justice " 37,000.
400,000.

Section XV Miscellaneous Military Rs 5,01,400.
" XVI Public Debt - - - - " 3,32,200.
" XVII Adjusted receipts on account of other Government " 4,60,900.
" XVIII Remittances from other Governments. expected transfer of the whole of the Military 3,75,5,100.

No advances being expected to be made in 1861/62, either for Compensation for Huts or for Hutting money - Vide para 19 of the Military Auditor General's report to Government on the Budget for 1861/62 dated 11th January 1861. N[o] 23.-

latter year, about a lac of Rupees was estimated by the Military Auditor General on that account, and to less amount of Retrenchments, &c^a being expected by the Military Auditor General, to be recovered in 1861/62. In the Second head it is owing to 2/2 & 3 Pies Treasury bills having been transferred in 1860/61, in subscription to the 5 and 5 1/2 per Cent Loans - which, of course, is not expected in 1861/62. In the third head it is attributed to larger provision having been made in 1860/61 for advances to be made by H. M^s Deputy Commissary General in China for payment of Madras Troops on field duty there: the greater part of the troops having returned to India, smaller provision is made in 1861/62: and also to the amount of Postage on Official letters and packages debited to the different Departments of the service and credited to the Govern= =ment of India, being smaller in 1861/62 than in 1860/61. In the fourth and last head, the large decrease is due to Stores expected from the Home Govern= =ment, to the value of 23 Lacs, being less estimated in 1861/62 compared with 1860/61, owing to the restrictive orders of the Government of India dated 23^d April 1860,

N^o

⊗ N. B.

The decrease in the other items comprized under this head, is Counter balanced by a Corresponding increase chiefly in suspense account, assumed with reference to the expectation of Collectors' see para 13 of this Report. "Public Debt"

N^o 31, to Bills to the extent of Rupees 10 Lacs specially drawn in 1860/61 on the Sub Treasurer at Calcutta not being expected to be drawn in next year, to Funds for payment of Madras Troops in Burmah and in the North West Provinces, to the amount of 5 1/2 Lacs of Rupees being expected to be drawn less in next year, owing to the withdrawal and reduction of Troops; and to 2 Lacs of Rupees received in 1860/61 from the Superintendent of Coorg into H. M^s Treasury under the Commissioner of Mysore, under special instructions from the Accountant General to the Government of India, not being estimated for in 1861/62. As a set off against the above decreases, there is an expected increase of 10 Lacs of Rupees in the Traffic Earnings of the Railways, owing to the anticipated extension of the Madras Railway line to Beypore, and also to the expectation that the Great Southern of India Railway line will be opened for traffic in 1861/62.

Increase of importance is

10

also expected in the heads marginally indicated. In Land Revenues, &c^a the increase is owing to the unfavorable nature of

Section I	Land Revenue including sayer and Abkaree	Rs 419,180.
" II	Assessed Taxes	" 111,380.
" III	Customs	192,990.
" VII	Stamps	366,240.

of the season in 1860/61, better ~~~ results being anticipated of the next season. In the second head the increase is ascribable to Income tax being estimated for the entire Year 1861/62, whereas the Estimate of 1860/61 includes the probable Collections for 9 months only: it is also owing to provision being made in the estimate for next year on account of License and Tobacco taxes, while the Estimate for the present year contemplates the receipts from the Molunga tax only. The increase in the third item is due to the revision of the Tariff in December 1860, which increased the Valuation rates of different articles. The excess in the last item is expected under the operations of Act XXXVI of 1860, which took effect in October of that year, and hence the Estimate of 1860/61 contemplates the increase for only 7 months, whilst that for 1861/62 includes the probable Collections for the entire year.

Vide Fort St. George Gazette 10th Dec. 1860

The

11. The Estimated Disbursements during 1861/62 aggregate Rupees 12,05,41,040, and Compared with 1860/61 ~~~ ~~~ Viz. Rupees 12,85,73,010, exhibit a net decrease of Rupees 80,31,970. The decrease is to be found chiefly in the heads marginally indicated. In the first head it arises from provision having been made in the Estimate for 1860/61, for payment of 2½ Lacs of Rupees to the Zemindar of the Nidadavole Estate in the Godavari District, being the claim made by him, and admitted by Government, on account of Surplus Collections

A.	Allowances, Refunds and Drawbacks	Rupees 3,49,530.
B.	Class II. Allowances and Assignments under Treaties and engagements	" 12,76,350.
C	Army	60,83,800.
H	Adjusted charges on account of other Governments	10,37,600.
I.	Remittances to other Govts	74,41,100.

collections due to him from August 1852,
when the Estate was purchased by
Government, to February 1860, the
time of its restoration: also to a sum
of one Lac of Rupees having been
provided for payment to the Zemindar
of the Davaracottah Estate in the Krishna
District on account of Compensation allowed
to him, in consequence of the abolition,
in 1820, by order of Government, of
the collection of certain fees formerly
collected in his Estate, known as
"Desmuk Rescums" or "Durbar Charges".

In the second head the decrease is
partly

partly ascribable to arrears of Stipends
due to Prince Azeem Jah Bahadoor
from 1855, amounting to Rupees 6,30,000,
being included in the Estimate of 1860/61;
whereas, in the Estimate of 1861/62
provision is made for the current
years Stipend only: and partly to a
large amount of Jaygire Pensions
having been estimated to be commuted
in 1860/61, which increased the expected
charges of that year and reduced
those of the succeeding year. The
decrease in the third item Viz.t "Army,"
Letter C

as

as compared with the Regular

Estimate amounts to Rupees 60,83,800. The

Estimates received from the Military Auditor Genl. & Controller of Military Finance are herewith transmitted, together with the copy of his Report to Government which was furnished to this Office, agreeably to the orders of the Govt. of India dated 15th October 1860, No. 10546, para 3. - It has been found necessary to make some additions to, and deductions from, the Military Estimates of which full explanation is given in a letter addressed to the Military Finance Commission under date the 20th ultimo of which the following is a copy. - "With reference to my Telegram dated the 18th Instant. - I have the honor to transmit herewith a printed Copy of

The original Estimates of the Military Auditor General and Controller of Military Finance were forwarded to the Military Finance Commission by the Second Steamer in January, under the order of Government in the Military Department ++ dated the 19th January, and was not opened in this Office.

× Madras Govt. order 2d Nov.r 1860 No. 543, Financial Department. -

"of the Estimate C, shewing the total
"amounts of Titles I and II of the Budget
Title I Charges Military Personnel
do II do do Material "Estimates of the Military Auditor General
"and Controller of Military Finance, for
"1861/62".

"You will perceive that I have added
*Rs. 2,70,65,790. "to Title I the sum of Rupees 2,859.00, being
"the Pay and allowances of Troops which re-
"turned from China subsequent to the preparation
"of the Military Budget, the details whereof
"were forwarded to you by Colonel McGoun in
"his letter dated the 7th Instant and deducted
"therefrom Rs. 46,000, the estimated cost of the
"Troops stationed at Labuan which is charge-
"able to the Crown, and which is included
"in the above Sum of Rs. 2,70,65,790. The
"result is a net amount, under Title I of
"Rs. 2,73,05,690.

"From Title II the sums of Rs. 16,19,270
"and Rs. 2,19,770 have been deducted. The

former

"former is the amount of reserve Stock,
"erroneously included by the Commissary
"General in his Estimate furnished to the
"Military Auditor General, but subsequently
"rectified on the Order of the Madras
"Government on the subject, with the Statements
"which accompanied it, were forwarded to you
"on the 7th Instant by the P and O Company's Steamer
"Malta, while the latter is the amount value
"of Commissariat Supplies expected to be made
"on account of the Civil Departments and other
"Governments; agreeably to a Separate Estimate
"received from the Military Auditor General,
"a copy of which is enclosed, and which has
"been debited under their respective Departments
"and Governments. The net amount therefore
"under Title II is Rs. 62,61,960, which added to
"the net amount under Title I, referred to
"in para 2, Viz. Rs. 2,73,05,690 will aggregate
"Rs. 335,67,650."

As the value of Stores expected
"to be received from England for the use
"of the Ordnance, Medical, Clothing and
"Commissariat Departments was not included
"in the Army Estimates, and as the Accountant
"General to the Government of India directed that
"the Same should be entered, as usual, in the
"Budget Estimates and further that the value of
"Military Stores should be added to the Military
"Estimate and notified to the Military Auditor
"General, I have accordingly added Rs. 7,29,000.
"to the above Sum of Rs. 335,67,650 and also the
"items listed in the margin which are debitable
"to the Military Department".

Telegram dated 19th January 1861.

I have likewise added Rs. 10,75,550.
"and Rs. 19,600 - - - The former is the Estimated
"outlay on Repairs and construction (including
"Proportion of Salaries, Establishments, &c. of the
"Depart. Public Works) of Military Buildings
"and fortifications, debitable to the Military
Department

(+) One third value of Medical Stores has been debited to the Civil Dept. agreeably to the opinion of the Inspector Genl. of Medical Depart.

† Superannuation Pensions to uncovenanted Servants on the Establishment of Mily. Public Offices. Rs. 40,100
Postage on Official letters and packages } 130,000
Loss in issuing Hyderabad Rs. to the Troops } 31,000
Rs. 206,100

"Department, agreeably to the Proceedings of the "Government of India dated 25th January 1861 No. "970: and the latter is the cost of the Establish- "ment of the Military Department of this "Office, which, agreeably to the Telegram from "the Officiating Secretary to the Government of "India Military Department dated 1st Instant, "is to be transferred to Major Gompertz.

+ Order of Madras Government 5th February 1861 No. 459.

"The result of the additions refer- "red to in the two preceding paras, is shewn "in the accompanying Detailed Estimate, "which amounts to Rs. 3,55,97,900. This "amount will be entered in the General "Budget under preparation in this Office, "which compared with the Regular "Estimate for the present year, 1860/61, "exhibits an expected decrease, in "1861/62, of Rupees 60,83,800."

The

12. The decrease in the fourth item is principally owing to a small provision being made in the Estimate of 1861/62 under the head "China," in consequence of the withdrawal of the greater portion of the Troops, owing to the cessation of hostilities. The decrease in the fifth and last item, is occasioned by advances on account of the Railways not being expected to be made to the same extent as was anticipated in the Estimate of 1860/61 and to no remittances to Bombay and the Punjab being provided for in 1861/62, whereas in 1860/61 provision was made to the extent of 7¾ Lacs of Rupees.

+ Adjusted charges on account of other Governments.

⊛ Remittances to other Governments.

		Decrease
Advances on account of the Railways		1,52,800.
Remittances to Bombay and the Punjab		8,00,000.
		24,52,800.
Deduct increase in advances on account of the Irrigation and Canal Company		3,00,000.
	Net	21,52,800

13 Large increase, on the other hand, occurs in the heads shewn in the margin- ally to the sum allotted, by the Government

E.	Public Works Internal improvement	R. 4,35,450.
F.	Civil Service	13,07,370
G.	Public Debt	1,05,360

In the first head it is attributable princi-

of

of India, to be expended in 1861/62,⊗ on Public Works, being larger than for 1860/61, and hence the amount provided for the different description of Works which come under this head, is proportionately increased. I beg to refer to my letter to the Secretary to Government in the Public Works Department dated 26th Ultimo No. 417, and enclosures,+ which latter were prepared and forwarded to that Officer agreeably to the orders of the Government of India noted in the margin.+ In the second head the increase is due to provision being made in the Estimate of 1861/62 for the full strength of the Mofussil Police in all the Districts, except those most Northern Viz. Ganjam, Vizagapatam, Godaveri and Kistna, in which Districts provision is made for 6 months charges only, while in 1860/61 its organization was not expected to be complete, in several Districts. The increase in the third and last head, Rupees 1053,360, is the result of a gross increase of 38 Lacs, and

⊗ In 1861/62 Rs. 7000,000
In 1860/61 " 6297,000
703000

\+ Nos. 1 to 3

\+ dated 22nd Septr. 1860 No. 4945 Public Works Department Sixth para.

and of a gross decrease of 27½ Lacs. The gross increase occurs chiefly in the item of "Suspense account" which exhibits the transactions connected with unadjusted monthly remittances between the Talook and Hoozoor Treasuries, and has been assumed with reference to the expectations of Collectors. The gross decrease is owing to less advances being Expected to be made in 1861/62 to Officers and Corps and to the Receiver of Carnatic Property, and also to no provision being made in that year for the discharge of Treasury+ bills and Tanjore Notes, whereas in 1860/61, a sum of upwards of 9 Lacs of Rupees was estimated on these two accounts.

\+ 342½ Pies

14. The Receipts and Disbursements under the heads marginally exhibited have been chiefly estimated in this Office,

Receipts
XIV Tributes and Contributions on account of Contingents from Native States
XV Miscellaneous Civil
XVI Public Debt.
XVII Adjusted Receipts on account of other Governments.
XVIII Remittances from other Governments.
Disbursements.
F. Class VII Gratuities for Charitable purposes.
" IX Miscellaneous
" X Civil Contingencies
G Public Debt.
H Adjusted charges on account of other Governments
I Remittances to other Governments.

and the necessary explanatory Notes, wherever required

required, have been added to the detailed ~~#~~ Departmental Estimates and in those pre=pared and printed in this Office. A column has been also provided in the printed detailed Esti=mates and Abstracts thereof, and in the General Abstract, for such revision as the Government may think proper to make.–

I have the honor to be
Sir,
Your obedient servant
[signature]
Accountt. General

Ex. [illegible]

Financial 1861 Department

From
The Accountant General
To
The Chief Secretary
to Government

No. 153
Dated 4 March 1861
Recd. 4th "

No.

No. 115

F. No. 240

Transmits the Budget Estimates for 1861/62 together with the Departmental Estimates and reviews in a general manner the expected Receipts Charges of that year compared with 1860/61.

Financial Departt.

No. 153

To,

The Secretary to the Govt. of India
Financial Department.

Sir,

I am directed by His Excellency the Governor in Council to forward for submission to the Govt. of India the Budget Estimates for the year 1861/62 which have been prepared in the office of the Accountant General, together with the Departmental Estimates on which they have been framed, and a report from that officer reviewing in a general ~~measure~~ manner the expected receipts and charges of the year, as compared with those of 1860/61.

Mr.

2. Mr. Harrison ex-
=plains that these esti-
=mates would have
been sent in at an ear-
=lier date, but that delay
occurred in the furnishing
of some, and that some
had to be returned for cor-
=rection. It was pointed
out in my letter under
date the 6th Decr. 1860
Finl. Departt. No. 596, that
this was to be expected
in the first year of a
new system, and the
Govt. of India in their
reply of the 21st idem
Finl Deptt. No. 12,324 in-
=timated that they would
be prepared to make
due allowance for such
delay as well as for
inaccuracies in the
Statements themselves.

3. For reasons explained
in my letter already
quoted, the blank State-
=ments were sent direct
from the Govt. office to
the Judges and Collectors
in

in the Provinces, and
their estimates have been
sent in direct to the
Accountant General. For
the future these estimates
will be submitted thro',
and examined and collated
in the offices of the Sudder Court, and Board
of Revenue respectively—
So much of the estimates
as related to Revenue re-
=ceipts and Expenditure
has, however, after re-
=ceipt in this office been
referred to the Board of
Revenue for their remarks.

4. The Accountant Ge-
=neral para: 4 & 5 explains
the course taken by him
to render his Estimates as
complete in themselves
as possible, and to su-
=persede the necessity of
reference to the Depart-
=mental Estimates. This
Govt. have also entered
in the Estimates in red
ink any further notes
which seemed to them
to be required, in elucidation

of

of any increase of charge or other matter needing remark.—

5.— The Govt. concurs with Mr. Harrison (para: 6) that the Superannuation and retired allowances should henceforth not be prepared by the Civil Auditor, but departmentally — each department furnishing a separate estimate with the necessary details — Orders to this effect have been accordingly issued. †

6. In paras: 8 to 14 of his Report, the Accountant General reviews briefly the revenue and receipts, and the disbursements of 1861/62 as contrasted with those of the current year. The Govt. think it unnecessary to follow him in his remarks; they will only in the ensuing paras: comment on such points in the estimates as seem to demand notice.

† A copy of the Accts. General's letter dated 12th Instant No 438 is forwarded, as explaining why the detailed Lists of Pensions cannot be sent.

Statement

7. Statement No 1 is an abstract, comparative Statement of receipts and disbursements of the Government of Madras for 1860/61 and 1861/62. The results are as follows:

	1860/61.	1861/62.	Decrease.
Receipts	1223,58,430.	1198,02,970.	25,55,460.
Disbursements	1285,82,010.	1205,50,040.	80,31,970.
Excess of disbursements above Receipts	62,23,580.	6,47,070.	

There is a decrease both in receipts and disbursements for the ensuing as compared with the present year.

8. In regard however to this comparison of receipts, it is to be borne in mind that the Revenue assumed for 1860/61 is that entered in the Regular estimate of the current year, whereas it is now certain that owing to the unfavorable nature of the season the actual will fall very considerably below

below that estimate -
Thus on reference to estimate Revenue and Receipts X, Y, Z it will be observed, that the Land Revenue proper for 1860/61 is set down at Rs: 400, 14,060, whereas in a recent letter (6 inst.) the Board of Revenue have stated that 390 lacs were the utmost that can be expected. The assessed taxes for 1860/61 - Income tax - duty on trades - are entered in the same Statement at Rs: 21,68,700, but it is certain that they will not yield that amt. On inspection of the same Statement it will be observed that an increase is anticipated for 1861/62 in every branch of Revenue except Salt - Supposing the estimates for 1861/62 in Land Revenue, including Sayer and Abkari, to prove correct; the increase in those heads above

the

45

the actual of 1860/61 will be larger than is shown in the estimate for the reason given in the preceding para. The decrease in Salt Rs: 147,500 arises from an anticipated decrease in the sales for the Nellore District. In the other Districts little or no difference between the two years is expected. The Govt. do not believe that there will be any falling off in this branch of Revenue. On the contrary they think, as do the Board of Revenue, that there will be a considerable increase. They would observe that the Madras Railway S.W. Branch opened on the 1st. February - 70 miles from Tripatore to Salem - It has just been opened 19 ~~xx~~ miles from its western terminus Beypoor - and will probably be open from coast to coast in

the

the course of the Calendar year. The N.W. Branch was opened a few days since from the junction Station of Arconum to Nagherry 17 miles, and by the close of 1861 will probably reach Tripatty 41 miles from the junction or 83 from Madras. The Great Southern of India Railway is expected to be opened throughout from Negapatam to Trichinopoly by November or December next. The short branch line from the Madras Salt Stores to the main line which will admit of the Salt being put upon the line without al[illegible] break - will be finished in three or four months. It cannot be but the sales of Salt must increase largely under these circumstances. The season altho' unpropitious in other respects has

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has been favorable for the manufacture of Salt, and there is at present an abundant supply in store.

10.- Among the assessed taxes for 1861/62, the Tobacco License is reckoned at Rs: 2,51,000- This will of course depend on the tax becoming law- The estimate must in any event be deemed merely conjectural. Thus turning to Statement No. 11 assessed taxes X, Y, Z, it will be perceived that Madras with the Presidency Town of 700000 and including the old District of Chingleput, is rated at only Rupees 20,000, while the small District of Trichinopoly with but one large town, and that of only about 50,000 inhabitants is rated at 50,000 Rs:-

11.- On Stamps an increase is expected

of

The present province of

of Rupees 3,66,240 - As the Stamp Act XXXVI - 1860 only came in force on the 1st October last, the Govt. think that a larger increase will not im=probably be realized in 1861/62 - This would certainly be the case if the exemption was abrogated, under which transactions in which the Govt. can by any ingenuity of construc=tion be termed a party however little in reality they may be interested, are relieved from Stamp duty. The Govt. would suggest that on an op=portunity occurring, this exemption be given up - and parties dealing with or receiving money through the medium of Govt. be put on the same footing as persons si=milarly concerned with private individuals - A Shop-keeper receiving money in payment of his bill from a private person - or a creditor receiving payment of a debt from his debtor have to pass stamped receipts - There seems no reason why a different course should be pursued, when goods are sold on the public account to a Govt. officer, or when money realized in execution of a judi=cial decree is paid to a Plaintiff from a Court Treasury.

See letter to Govt. of India Rev. Dept. dated 14th Feby 1861 No 349

12.- The cause of the several decreases under the last four heads of the abstract Statement as per margin are ex=plained by the Account=ant General in para: 9 of his letter.-

XV. - Miscellaneous.
Civil.
Military.
XVI. - Public Debt.
XVII. - Adjusted Receipts on account of other Govt.
XVIII. - Remittances from other Govt.

13. On the whole this Govt. consider that the receipts of 1861/62 may with safety be assumed at the gross sum shown in the Abstract Statement No. 1 - and that

Disbursements.

Statement No I

that looking to the pro=bable improvement in the Salt and Stamp Re=venue, the receipts will very probably show an increase above the=se sums.—

14. The disbursement estimated for 1861/62 a=mount to Rs: 1205,50,040 and are below those of 1860/61 in the sum of Rs: 80,31,970. There is an increase under the heads:

B. 1. Charges against Income Revenue Departts. — Rs: 1,17,790.
E. — Public Works internal Improvement — " — 4,35,450.
F. — Civil Services inclu=ding Marine. — " — 13,07,370.
G — Public debt — " — 10,53,360.

15. The cause of this last increase (G) is explained by the Account=ant General in the concluding part of para: 13 of his letter of the 4th instant. In para: 11 of the same letter Mr Harrison has

A. Allowances, refunds and drawbacks — Rs: 3,19,530.
B 11. Allowances and assign=ments under Treaties and engagements. Rs: 12,76,350.

See B 11. Allowances and assignments under Treaties and Engagements. X, Y, Z. Note to N. 1.

a Rupees 1,17,790.
B. Charges against Income 1. Revenue Departts. X, Y, Z.

has also explained the reasons of the decreased disbursements expected under the two heads noted in the margin. In reference to the explana=tion under the last of those heads (B. 11) it may be noted that H. H. Prince Azeem Jah Bahadoor has not drawn and probably will not draw the whole of his arrears in the course of the current year. If as is likely he draw no more Stipend, arrears or cur=rent, before the 1st of May next, the amount then due to him will be Rs: 3,54,250 which must be provided for in the com=ing year and will reduce the increase under head B 11 from Rs: 12,76,350 to Rupees 9,22,100.

16. — Of the anticii=pated increase in Revenue Charges Rs: 72,590 is the net increase in

the

Estimate B-1.

1 Land Revenue including Abkari

	Rupees.
a - Increase	21,960.
b	1,32,980.
c.	61,880.
d.	51,200.
e. Decrease	1,15,440.
f.	66,760.

B1 - Assessed Taxes - Customs

	Rs.
g.	48,580.
h.	141,930.

	Rs.
K	7,530.
b.	25,920.
m.	30,600.

+ on account of establishments.

also

More than 60 Lacs of Rupees

The foregoing comments on these estimates will be found in a separate Extract from this Proceedings which is

the charges against Land Revenue - mainly under the heads of Inam Commissioner - Revenue Settlement and Survey - Conservator of Forests and Public Works, and arising from an expected extension of operations under those several heads - the total increase on account of these heads being only partially compensated by the decrease in the salaries and establishments of Collectors, Sub Collectors and Assistant Collectors, and by a decrease in the Abkari charges in consequence of the purchase of a smaller quantity of Colombo Arrack for the service of the Abkari for the Town of Madras.

17. An increase is expected in the charges on account of assessed taxes stamps on the Income tax Act and new Stamp Act will be in force throughout 1861/62 - while they were in operation for a part only of 1860/61 - Thence an increase in Customs charges and in those on account of Superannuation Pensions. In Salt there is a decrease chiefly in the value of Salt purchased and Salt manufacturers share -

18. The Army Charges according to the estimates furnished by the Military Auditor General and Controller of Military Finance and revised by the Accountant General in the manner shown in para: 11 of his letter of 4th instant, exhibit a decrease of ~~Rs. 60,3,800~~ - a result which cannot fail to be highly gratifying to the Govt. of India - ~~& to~~ ~~parts thereof on the subject of these estimates~~ in the Mil. Dept. Proceedings which is

Now in Circulation

Public Works
Internal Improve=
=ments.—

*The remarks, I am instructed to state, which are made in the third para: of that Extract are applicable to the Civil no less than to the Military estimates. Looking to the novelty of the system, and the disadvantages attendant on the preparation of this the first Madras Budget, it may prove on trial, which is the only true test, that provision has not been made for all necessary items or that the provision made in certain cases is not sufficient. The Government will strive as far as possible to avoid the submission of supplemental estimates but they do not doubt that if they should eventually be compelled to submit any these will receive liberal consideration from the Government of India.

is attached to this letter.*

19. The increase under this head Rs. 4,35,450 arises from the larger allotment made for public works for the approaching year. The P. W. Budget, I am to observe, was transmitted to the Govt. of India with a letter dated 31st January 1861 No. 215, and extracts from the Financial Budget prepared in the Accountant General's office showing the anticipated receipts and charges of all P. W. were transmitted in a letter of 4th March 1861 No. 422, with a letter from the Accountant General 26th Feby 1861, affording explanation as to the difference between the two Budgets. No further notice of the subject is therefore here called for.

In

F.
Civil Service.

Increase under all heads—
Rupees 13,07,370.

Increase — Rs. 12,43,890.

F 11.

20. In the Estimate F for the Civil Service there is a net increase under all heads of Rupees 13,07,370 nearly the whole of which has occurred under the head of Police in consequence of the anticipated extension of the sphere of action of the Mofussil Police during the year 1861/62 Fl. — "Under the head Salaries and expenses of Civil Departments," there is a net increase of 48,300. The chief items of increase are Local Council 30,500, this item for 1861/62 having been calculated at its full amount. whereas for a considerable part of 1860/61 the salary of the Senior Member of Council was not drawn, the Honorable W. A. Morehead having acted as Governor on the recall

P

of Sir C. Trevelyan and death of Sir Henry Ward. There is also increase of Rupees 90,350 in the Medical ~~and Rs. 8,960 in the Ecclesiastical~~ Department — of this amount Rupees 53,100 is the 1/3d value of Medical Stores expected from Europe, included in the Estimate in accordance with instructions from the Finance Department — and the remainder is an excess in the Commissariat Charges according to an Estimate furnished by the Auditor of Commissariat Accounts.

In

21. In the head "Law and Justice" there is an estimated increase on the whole of Rs: 44,150. The main heads of increase are for the Supreme Court Rs: 24,070 - salary of the chief Justice which on account of the death of the late Sir S. Lawson was not drawn for some months of 1860/61 - but may be expected to be drawn in full during the ensuing official year. Under the head of Civil and Sessions Courts there is an increase of Rs: 1,10,630.† This arises from the salaries of all the Civil and Sessions Judges having with few exceptions D been calculated at the full standard rates. ~~(less the deductions made from the salaries of Judges now absent on Medical certificate but expected to return~~ for

Note.

Against this however is to be put a decrease in deputation allowance 6,500 - in place of Rs: 34,820. It should also be remarked that the estimate for 1860/61 does not include the absentee allowance of Judges drawn in England.

Note

D Allowance has been made for deductions on account of Judges now absent but expected to return within the year — but not for deduction on account of Judges who may take leave on Medical certificate during the year

+ but to what precise amount cannot be foreseen

~~to duty within the year~~ whereas in the regular Estimate for 1860/61 allowance has been made for deductions on account of absence. It may be assumed however that deductions ~~to much the same~~ or a significant account ~~amount~~ will have to be made ~~on a similar~~ + ~~account~~ during 1861/62.

As respects Courts below Civil and Session Courts, I am to observe that this Govt. are actively engaged in revising them. Since their estimates were prepared, they have abolished the Mufti Sudr Ameen's Courts at Bellary and Masulipatam the Principal Sudr Ameen's Courts at Nellore and Addl. — do — at Madura. The Sub Judges Courts at ~~Bellary~~ Chittoor, Cuddapah and Mangalore have been temporarily closed

Since the Estimates were prepared, the Mufti Sudder Ameen's Courts at Bellary and Masulipatam have been abolished — the Establishment of the Principal Sudder Ameen at Nellore has been dispensed with, consequent on the transfer of this officer to Mangalore — and the Sub Judges Courts at Chittoor and Cuddapah have been temporarily closed and Principal Sudder Ameens substituted. The temporary Principal Sudder Ameen's Court at Madura will be dispensed with after the 30th April next — and the Government propose shortly to close the Sub Judge's Court at Mangalore, and to appoint a Principal Sudder Ameen in his place. The result on the whole will be a saving of Rs: 47,148.

~~closed and Principal Sudr Ameen Courts substituted. The result on the whole will be a saving of Rs: 46,428 above what is entered in the present estimate.~~ The Govt. might perhaps have been able to effect further reductions had they not been prevented from availing themselves of the Small Cause Court Act XLII of 1860 for reasons explained in my letter of the 2nd Instant No 287.

Police. F IV.

not to allowing for a saving of R 52,340 in the Sibbendi Corps.

22. — The increase in the Mofussil Police Rs: 1,271,240 proceeds from the expected extension of its operation. The Districts of Ganjam — Vizagapatam — Godavery and Kistna — Tinnevelly — Trichinopoly — Malabar — South Canara — Salem — Bellary and Kurnool will it is hoped be taken up altogether — whereas in

in 1860/61 the new Police were not introduced into the five first districts at all and only partially so in the remaining six Districts.—

The increase under the head of Madras Penitentiary arises from its having been debited with the cost of victualling the convicts Rs: 17,650 which has hitherto been done by the Commissariat, but from the 1st May next will be, carried out by the Commissioner of Police and the supplies procured by Contract on tenders invited by public advertisement. It has lately been the endeavour of this Govt. to relieve the Commissariat as far as possible from supplying civil Departts. and confine them

F. V. Education—Science and Art.

them to Military duties only.—

23 There is a net increase under this head of Rs: 28,960. The several items of increase are explained in the notes ad loca. The main increase is under the head of Schools Rs: 24,720. This, as explained in the Note submitted by the Director of Public Instruction, arises in part from increased salaries to which the teachers of Anglo vernacular Schools will become entitled on passing the prescribed Examinations. partly from the Establishment of additional Normal Schools and partly by an extension of the grant-in-aid system. It is explained by Mr. Arbuthnot that although the entire Expenditure

on

on Schools as estimated for 1861/62 exceeds by Rs: 1,254-9-4, the aggregate of the various sums which the Madras Govt. are at present authorized to disburse under this head, it is less by Rs: 30,149-6-8 than the amount which they would have been at liberty to disburse if the expenditure on Provincial Zillah and Talook Schools sanctioned by the Govt. of India on 5th Jany. 1856 had been permitted to proceed.

The total amount estimated for Education Science and Art for the year 1861/62 is 6¼ lacs. It is much to be regretted that no larger sum can be devoted to these important objects in a country with a population numbering more than twenty two millions, but the Govt. are aware that the restriction is unavoidable.-

F. VIII. Marine.

24. There is a decrease on the whole in the estimated expenditure on this head in consequence of a smaller expected outlay for coal and fortuitous-ariah supplies- there is an increase (Rs. 8,370) in Marine Establishments at the outports- arising from the expected appointment of Marine officers at the Ports in Ganjam and other Districts, and from small additions to the wages of the subordinates, such as Light-keepers, Lascars &c. Also an increase under the head of Light Houses Rs. 3,960. These charges are however defrayed

in

to forward them to Govt. of India by the Steamer expected at Madras on the 2 instant. For the Govt. of Madras within that limited period, and in addition to its other duties, to canvass ~~scrutinize~~ scrutinize the multitudinous entries in these accounts and review them in detail is simply impossible. All that they have been able to effect is to acquaint themselves generally with the estimates and comment upon the more salient points connected with them. Apart from the great heads of Public Works and Army, charges which have been separately disposed of, the main heads of expenditure for examination are the charges against Income Revenue

Departt.

Department. Bl and the charges on account of the Civil Services &c. These are for the most part made up of fixed and sanctioned establishments, and of expenditure necessary for the procuring of supplies for carrying on the public service as in the purchase of Salt to be resold at a very large (monopoly) profit. of Coal for Government Steamers &c. The existing establishments can only be dealt with gradually and after due inquiry. For some time past, as the Supreme Govt. have been informed, one Member of the Board of Revenue Mr. Kelly has been especially charged with the duty of revising the revenue establishments, and another

Member

in the Legislative Council. They are fully impressed with the extreme gravity(?) of the present financial crisis and if favored with the support and confidence of the Supreme Govt will not intermit their efforts in the cause of economy, and retrenchment of all avoidable expenditure.

J.P. —

Fort St George
23d March 1861.

Letter No 423 to

71
73

... dt. 21st Decr /60

... Capital Exp

...dras Railways — Rs 76.26.449

71

In the Analysis of Traffic operations of the South West line of the Madras Railway for the half year ending 31st Decr last (called for from your Office), it appears that the profit on that part of the line then open, or 137 miles from Madras to Tripatore was only 1-5 per Cent for the half year on the cost of construction. Was the line open for the 137 miles during the whole six months - if not, what was the average distance open?

Yes - the whole distance (137 miles) was opened -

But the Permanent Way charges were only for 96 miles -

If you refer to that Tabular Statement I prepared you will see when each section of the Rail(wa)y was opened for Traffic.

R 1.76.026

[illegible] Arrears(?)

[illegible] on state of rates 60.000
16.260

R 76.260

W

71
73

1 — Letter No 229. dd. 21st Decr /60

Pa: 6. Estimated Capital Exp.

Madras Railways — Rs 76.26.449

† This letter was transferred to the Financial Dept. as it related to the Budget Estimates — No copy of the letter is on record

2 — † Letter No 56 — dtd. 14th Decr /60

G. S. of India Rlwy — 12.85.000

Total Estd. exp. for 1861/62 — 89.11.449

3 — Letter No 60 — dated 8th March /61 —

Pa: 4 —	To complete in the expensive style detailed — S. W. Line	Rs 15.74.000
	Do — G. S. of India —	60.50.000
	Do — Bangalore branch —	63.56.000
Pa: 5 —	Do — N. W. Line to Cuddapah.	85.71.000
Pa: 6 —		

Probable expenditure now

4 — Estimated as likely to be required for 1861/62.

S. W. Line	Rs 13.76.000
Bangalore branch for Earthwork & rock cutting — Rs 15.07.406 —	8.00.000
N. W. line to Cuddapah. restricting Masonry works to single line	30.00.000
G. S. of India — — — — — — — the exp. is likely to exceed the Agent's Estd.	14.00.000
Total	Rs 65.76.000

5 — If the works on the N. W. Line between Cuddapah & Bellary are discontinued the expenditure will probably be.

For bringing works to a state of safety —	1.50.000
& for Establishments	26.826
	Rs 1.76.826

& on the Bangalore Branch

For bringing works to a state of safety	60.000
& for Establts	16.260
	Rs 76.260

March 14th/61.

[signature]

Memo from
Consulting Engr
for Railways

The entire expenditure on schools as estimated for 1861/62 exceeds by Rs 1254-9-4. the aggregate of the various sums which the Madras Government are at present authorized to disburse under this head. It is less by Rs 30149-6-8. than the amount they would have been at liberty to disburse if the expenditure on Provincial, Zilla and Taluk Schools sanctioned by the Government of India on the 5th January 1856 had been permitted to proceed.—

Account Department

No 271

Chief Office of the Insp Genl of Madras Police
Madras. 4th March 1861.

71

Memorandum

Accompanying Estimate for Madras Police for 1861–62.

The new Police has not been introduced into the following Districts during the present official year, hence no charges appear in the columns headed 1860–61.

Ganjam
Vizagapatam
Godavari
Krishna.

The following districts were not fully estimated for in the Estimate for 1860–61, which is the consequence of the increase for 1861–62.

Trichinopoly
Tinnevelly
Malabar
South Canara
Salem
Bellary
Kurnool

Inspector General of Police

To T. Pycroft Esqre
Chief Secretary to Government
Fort Saint George

MG

LR
Ex Dmt

Notes

to be appended to the Estimates of disbursements on Account of Education.—

Page 2.

Director of Public Instruction.— The increase arises from the Director of Public Instruction having been absent on leave during a part of the Current Official Year and in consequence forfeited a portion of his Salary which for the Year 1861/62 is estimated at the full amount.—

Inspectors of Schools.— The increase is mainly attributable to two of the Deputy Inspectorships having been vacant for some Months during the Current Year, whereas provision is made for the full charge on this account for the Year 1861/62.—

Madras University The increase is to provide for the Stipends of examiners to conduct an examination for Medical Degrees which will probably be held next year.—

Schools. The estimate for Anglo Vernacular Schools provides for raising the Salaries of various teachers who at present receive less than the maximum Amounts assigned to the situations held by them, and which under the terms of their engagements they will be entitled to receive on passing the prescribed examinations.

The estimate for Normal Schools provides for the establishment of three additional Normal Schools, one in the Telugu Country and two on the Western Coast, a measure which has been approved by Government.

Provision is also made for increasing the grant-in-aid fund by Rs 10,000 with a view to the extension of the grant-in aid System. The entire expenditure on Schools as Estimated for 1861/62, ~~though exceeding the regular estimate for 1860/61, falls below the aggregate× amount of the various sums which under the orders passed by the Government of India and the Secretary of State, the Madras Government are at liberty to disburse under this head.~~— exceeds by R 1254.9.2 the aggregate of the various sums which the [illegible]

(Margin note, written vertically: Madras Govt. are at present authorized to disburse under this head it is less by R 30149.6.8 than the amount they would have been at liberty to disburse if the Expenditure on Provincial Zillah & Talook schools [illegible])

~~× Aggregate Amount sanctioned including necessary contingent charges as estimated for 1861/62 — Rs 233,972.~~
~~Amount of Estimate of 1861/62 — 233,510.~~
~~Difference Rs 462.~~

Miscellaneous Purchase of Books. The increase under the head of Purchase of Books for resale will be met by an equal increase in the proceeds of Sales.—

Colleges.

Civil Engineering College.

The increase proposed in the Salaries of the Assistant Masters is requisite to retain the services of efficient men. The services of an Instructor in Bricklaying and of a Serjeant Major are much needed.-

Presidency College.-

The increase is met by an estimated increase in the receipts from Schooling fees, certain charges such as prize books, Library books and contingencies which are deprived from the Schooling fees not having been entered in the regular Estimate of expenditure for the current year, while in the Estimate of receipts for the same period only the net Amount of the Schooling fees after deducting the charges in question, is given.-

W. R.

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Fort 1861- Departt

№ 158

To

The Secretary to the
Govt of India

D/23 March/61

Forwarding the Budget
Estimates for the year
1861-62 prepared in the
office of the Accountant
General, together with
the Departmental Es-
timates on which
they have been framed
&c.

53-54

C18 Mar 1820

53-54