

(1) Number of pages 8(2) Date of repair 23-6-39(3) Initials of the Referencer 4

MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	<u>248</u>	Press Mis.
Dated	<u>18-5-</u>	18 <u>61</u>

B/m 33*6/6*Not to be folded or roughly handled

I

*Proceedings of the Madras Government, Financial Department,
18th May 1861.*

No. 33.

ORDER THEREON, 18th May 1861, No. 248.

Ordered that copies of the Statements received with this letter, be furnished to the Revenue and Public Works Departments, and to the Accountant General.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

2
Circular

No. *5240*

FROM C. H. LUSHINGTON, ESQUIRE,

SECRETARY TO THE GOVERNMENT OF INDIA,

FINANCIAL DEPARTMENT ;

To *The Chief Secretary Madras*

Fort William, Council Chamber, the 1st May 1861.

Financial Department.

SIR,

I AM directed to forward for the information of the *Governor*
in Council a copy of the Statement noted
in the margin*, shewing the estimated Revenue
and Expenditure of India in 1861-62, and the

* Statement shewing the Local Appropriation
of the Estimate of Revenue and Expenditure of
India for the year 1861-62.

sums which have been passed under each head of Service for the several Govern-
ments and Administrations.

2. The delay which inevitably occurred in sending in the first Civil Budget under the new system, left no time for a close investigation of the details of the numerous Estimates, or a settlement by correspondence with the local Governments of the many points which appeared doubtful; and under these circumstances, the Governor General in Council was placed in the alternative either of postponing any decision on the Estimates until after the 1st instant; of making arbitrary reductions on inconclusive data; or of adopting the Estimates as sent in, (with the exception of any points which have been corrected by subsequent correspondence) as a provisional measure, and subject to such reductions as a more mature consideration might shew to be possible.

3. The first course was obviously impossible, as it was indispensable to settle the General Budget and the Financial measures for the year 1861-62, before its commencement, and the greatest inconvenience would have ensued if the year had been suffered to commence without any definite estimates of detailed expenditure for the guidance of local Officers having been arrived at.

4. The second course might have been adopted with the possible advantage of limiting expenditure and enforcing economy in certain cases; but the Governor General in Council considers it of the first importance, that under

the new system, estimates should in all cases represent *facts* deliberately adopted by those who are responsible for them, and not *opinions* however plausible and apparently well founded, and although in the case of Army, Navy, and Public Works Budgets, the means of decision rest with the Supreme Government sufficiently to enable the Governor General in Council to settle the final estimates for each Service, to attempt to do so in detail in the case of the Civil estimates, without full previous communication with the local Governments, would be, in effect, to take the Civil administration to a great extent out of the hands of those properly responsible for it.

5. It has been considered better, therefore, not to alter any figure of such Civil estimates sent in by responsible authority, unless orders have been actually passed, or measures taken which warrant a reduction. A statement shewing these alterations will hereafter be forwarded to you in the form of the X. Y. Z. Statements in the Budget returns. But the mere fact of alterations not having as yet been made under any head of Service is not to be taken as a conclusive sanction of the sums now passed in all cases. It is conclusive that the sums thus sent in by the local authorities as sufficient for their wants for the year, are in no case to be *exceeded*, without a special supplemental Estimate recommended by the local Government, and sanctioned by the Supreme Government—a sanction which will not be given unless upon the most conclusive grounds.

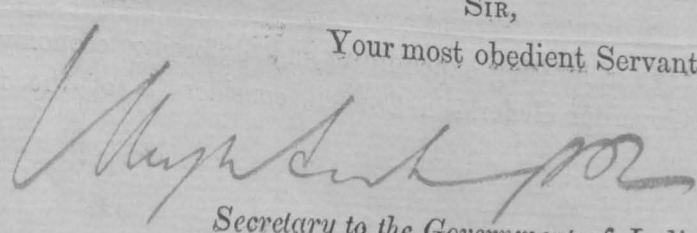
6. But upon all points to which the Supreme Government has raised objections, and which are still the subject of correspondence, or upon any other points on which, with further experience and information, the local Government may be able to suggest, or the Supreme Government may see its way to enforce, measures of economy, reductions corresponding to the orders passed will, from time to time, be made in the sanctioned estimates, and be duly communicated to the responsible officers. You will, however, distinctly understand that in no case will arbitrary reductions be made, and that the Budgets now adopted will be considered as final, subject only to such definite orders as may be passed on certain points after due deliberation.

7. His Excellency the Governor General in Council refers more particularly to those estimates which were adverted to in my letter No. of the 1861, and as it is important that the definitive estimate for the year should be settled, as soon as possible, I have to request an early reply to that communication.

I have the honor to be,

SIR,

Your most obedient Servant,


Secretary to the Government of India.

Proceedings of the Madras Government, Financial Department,
18th May 1861.

No. 32. Read the following letter from C. H. LUSHINGTON, Esq., Secretary to the Government of India, Financial Department, to the Chief Secretary to Government, Madras, dated Fort William, Council Chamber, the 1st May 1861, No. 5,240.

Financial Department.

I am directed to forward for the information of the Governor in Council, a copy of the Statement noted in the margin,* shewing the estimated Revenue and Expenditure of India in 1861-62, and the sums which have been

passed under each head of Service for the several Governments and Administrations.

2. The delay which inevitably occurred in sending in the first Civil Budget under the new system, left no time for a close investigation of the details of the numerous Estimates, or a settlement by correspondence with the local Governments of the many points which appeared doubtful; and under these circumstances, the Governor General in Council was placed in the alternative either of postponing any decision on the Estimates until after the 1st instant; or of making arbitrary reductions on inconclusive data; or of adopting the Estimates as sent in, (with the exception of any points which have been corrected by subsequent correspondence) as a provisional measure, and subject to such reductions as a more mature consideration might shew to be possible.

3. The first course was obviously impossible, as it was indispensable to settle the General Budget and the Financial measures for the year 1861-62, before its commencement, and the greatest inconvenience would have ensued if the year had been suffered to commence without any definite Estimates of detailed expenditure for the guidance of local Officers having been arrived at.

4. The second course might have been adopted with the possible advantage of limiting expenditure and enforcing economy in certain cases; but the Governor General in Council considers it of the first importance, that under the new system, Estimates should in all cases represent *facts* deliberately adopted by those who are responsible for them, and not *opinions* however plausible and apparently well founded, and although in the case of Army, Navy, and Public Works Budgets, the means of decision rest with the Supreme Government sufficiently to enable the Governor General in Council to settle the final Estimates for each Service, to attempt to do so in detail in the case of the Civil Estimates, without full previous communication with the local Governments, would be, in effect, to take the Civil administration to a great extent out of the hands of those properly responsible for it.

5. It has been considered better, therefore, not to alter any figure of such Civil Estimates sent in by responsible authority, unless orders have been actually passed, or measures taken which warrant a reduction. A Statement shewing these alterations will hereafter be forwarded to you in the form of the X. Y. Z. Statements in the Budget returns. But the mere fact of alterations not having as yet been made under any head of Service is not to be taken as a conclusive sanction of the sums now passed in all cases. It is conclusive that the sums thus sent in by the local authorities as sufficient for their wants for the year, are in no case to be *exceeded*, without a special supplemental Estimate recommended by the local Government, and sanctioned by the Supreme Government—a sanction which will not be given unless upon the most conclusive grounds.

6. But upon all points to which the Supreme Government has raised objections, and which are still the subject of correspondence, or upon any other points on which, with further experience and information, the local Government may be able to suggest, or the Supreme Government may see its way to enforce, measures of economy, reductions corresponding to the orders passed will, from time to time, be made in the sanctioned Estimates, and be duly communicated to the responsible officers. You will, however, distinctly understand that in no case will arbitrary reductions be made, and that the Budgets now adopted will be considered as final, subject only to such definite orders as may be passed on certain points after due deliberation.

OF REVENUE AND EXPENDITURE OF INDIA FOR THE YEAR 1861-62.
EXPENDITURE.

	Bengal.	North Western Provinces.	Punjab.	Madras.	Bombay.	Sind.	General and Political.	Eastern Settlements.	Orde.	Nagpore.	Pegu and Martaban Provinces.	Tenasserim Provinces.	Total Rupees.	Total £.
A Allowances, Refunds, and Drawbacks	9,23,903	230,000	79,366	1,92,040	5,67,920	9,550			46,090	7,820	2,79,200	43,196	23,78,565	
B CHARGES AGAINST INCOME.														
I Revenue Departments														
1 Land Revenue	31,05,999	4,33,432	20,72,826	31,49,480	26,39,000	7,26,133	1,34,172	37,810	11,11,766	4,26,136	4,08,693	69,928	2,09,01,105	
2 Assessed Taxes	6,44,961	2,00,000	42,544	1,31,510	1,50,718		200		50,000	10,690	12,620	7,440	14,59,118	
3 Customs	5,91,714		3,15,327	1,61,400	3,68,384			7,645			79,152	27,965	92,42,486	
4 Salt	48,59,366	7,24,098	2,22,502	15,41,600	3,48,083									
5 Opium	1,30,07,943				3,43,376									
6 Stamps	60,787	46,139	93,791	44,320	58,226	4,400	12		13,000	1,577	3,529	2,139	3,38,311	
7 Post Office														
Telegraph														
8 Superannuations	1,10,267	95,629	23,909	1,75,170										
9 Miscellaneous	3,67,410	33,064		61,110	3,800	700			686	30,663		459	11,02,760	
Total Charges of Revenue Department	2,37,63,947	53,21,932	27,73,099	72,61,719	39,06,677	7,31,333	1,34,884	45,455	13,10,432	4,70,107	5,04,234	1,07,982	5,10,73,182	
II Allowances and Assignments under Treaties and Engagements														
III Allowances to District and Village Officers, &c.	19,40,303	9,25,193	13,95,619	32,71,380	1,02,30,412	8,95,614	6,14,637	73,257	22,65,448	6,71,806			3,23,85,844	
IV Miscellaneous Payments	12,200			7,26,250									7,36,450	
Total Charges against Income	2,47,06,450	63,46,450	41,68,718	1,12,59,240	1,41,37,089	16,29,847	7,48,631	1,18,712	34,75,870	11,41,773	5,04,234	1,07,922	7,49,97,486	7,964,741
C Army														
D Indian Navy and Marine														
E Public Works—														
Civil Imperial	53,07,326	63,77,116	37,64,264	58,72,293	46,33,186		1,66,522	2,25,000	13,01,332	6,52,447	6,88,361	3,76,577	3,09,86,200	5,36,000
Military Imperial	3,68,674	12,38,684	5,18,799	7,30,110	9,62,814		2,66,400	1,50,000	7,38,677	76,653	4,36,696	31,423	53,88,710	3,098,699
Total Imperial	56,76,000	68,15,800	62,70,000	66,02,408	55,96,000		1,281,792	3,75,000	19,40,000	7,65,000	10,20,000	4,08,000	8,63,75,000	5,38,871
Local	21,00,032	11,20,886	13,30,000	3,09,927					1,74,168		26,000		50,60,000	
Total Public Works	77,76,032	79,36,686	76,00,000	69,12,335	55,96,000		1,281,792		21,14,165	7,65,000	10,45,000	4,08,000	4,14,35,000	
F CIVIL SERVICES.														
II. Salaries and Expenses of Public Departments	11,78,637	14,03,159	7,40,567	39,09,700	26,95,405	2,82,406	34,99,840	2,14,150	2,47,392	1,16,138	95,807	67,066	1,44,10,294	
III. Law and Justice														
IV. Police	33,31,241	38,49,466	16,13,312	25,28,410	17,90,479	1,64,326	9,00,006	1,71,667	5,09,396	2,43,389	3,66,894	2,79,653	1,31,44,994	1,567,647
V. Education, Science, and Art	23,85,939	37,00,000	24,00,000	49,75,760	25,62,288	6,97,766	1,85,164	33,540	15,68,368	4,18,847	5,10,000	52,872	1,56,76,472	
VI. Political Agencies and other Foreign Services	10,87,229	6,61,430	1,99,914	6,25,050	4,45,000	27,383	7,14,893	13,860			28,410	14,304	2,23,47,004	2,234,700
VII. Superannuation and Retired Allowances and Gratuities for charitable and other purposes														
Mutiny Pensions and Donations														
VIII. Marine														
IX. Miscellaneous	92,878	72,300	1,77,853	9,89,020	10,08,633	62,010	26,37,266	1,08,179	7,841		4,650	2,000	59,61,546	
X. Civil Contingencies	12,825	8,77,394	2,93,754	77,000	4,46,927	23,031	9,44,329						26,80,220	
Total Civil Services	1,16,95,540	1,10,60,332	55,89,353	1,46,11,970	1,05,80,635	13,21,647	1,16,86,879	5,77,543	23,63,850	9,17,304	10,08,217	4,28,370	7,12,63,997	3,096,916
Interest														
Eastern Settlement Charges														
Total	4,30,01,893	2,44,62,882	1,61,11,509	3,32,93,718	3,18,97,144	29,61,024	4,52,20,870	10,71,255	78,25,810	28,31,397	28,11,641	9,87,488	35,24,89,391	35,248,939

The April Totals given in Rupees are those which result from the Budget classification; the ultimate result is the same, as is shown below:—

Revenue Total	£ 7,964,741	£ 95,255
Charges and Expenses of the Revenue (including Charges of Collection and of the Post Office, Marine, Telegraph, Salt and Opium)...	...	...
Revenue Total	...	...
Charges and Expenses of Public Departments, less Mint Charges...	...	...
Education, Science, and Art... Foreign Services...	...	...
Political Agencies and Retired Allowances and Gratuities for charitable and other purposes...	...	...
Mutiny Pensions and Donations...	...	...
Miscellaneous...	...	...
Civil Contingencies...	...	...
Total	Rs. 7,964,741	Rs. 3,096,916

These sums are deducted from the Totals of the heads of service, and are shown separately as Eastern Settlement Charges.

STATEMENT SHEWING THE LOCAL APPROPRIATION OF THE ESTIMATED REVENUE.

	Bengal.	North West- ern Provinces.	Punjab.	Madras.	Bombay.	Sind.	General Political.	Eastern Settlements.	Oude.	Nagpore.	Pegu and Madrass Provinces.	Tenasserim Provinces.	Total Rupees.
I LAND REVENUE, &c.													
Land Revenue	4,02,42,902	4,00,00,000	1,79,29,849	4,08,80,220	2,03,09,740	32,44,000	2,94,000	1,07,133	1,01,41,561	28,10,333	32,26,131	4,19,000	18,67,24,980
Sayer and Miscella- neous	3,62,979	3,41,276	4,49,039	2,31,160	15,50,731	2,29,250	83,750	20,431	36,821	1,07,323	5,39,100	1,13,450	1,74,08,940
Abkane	42,07,071	22,09,238	5,88,143	31,91,090			62,935	11,49,033	7,03,330	4,33,543	3,56,800	2,47,500	
Total Land Revenue, &c.	4,49,02,952	4,25,50,504	1,90,03,945	4,43,22,500	2,79,50,500	34,73,250	4,42,685	12,76,671	1,08,81,731	33,57,501	41,91,031	7,79,950	20,31,33,270
II ASSESSED TAXES.													
Income Tax	75,00,000	31,81,486	8,73,892	23,31,050	33,83,045	3,40,520	9,61,449	1,340	4,75,000	2,18,550	1,31,613	83,000	1,94,80,945
Mutual (Madras)				7,35,030					6,25,000				7,35,030
Trade Taxes (Outh)													6,25,000
Total Assessed Taxes	75,00,000	31,81,486	8,73,892	30,66,080	33,83,045	3,40,520	9,61,449	1,340	4,75,000	2,18,550	1,31,613	83,000	2,08,40,975
III CUSTOMS.													
Imports	89,39,300			13,96,610	79,50,000		12,000	2,000					2,48,44,103
Exports	28,01,620	5,91,100	3,35,300	6,92,760		5,00,000					10,81,353	2,62,200	1,35,00,000
Salt	97,50,000		28,00,000										
Total Customs	2,13,94,180	5,91,100	31,35,300	24,65,770	79,50,000	5,00,000	12,000	2,000			10,81,353	2,62,200	1,35,00,000
IV Salt	1,79,00,000	63,50,000	25,00,000	85,00,000	45,50,000								3,98,00,000
V Opium	4,07,47,615				2,03,28,000								6,10,75,615
VI Stamps	51,60,000	20,00,000	6,86,904	17,12,200	19,86,300	1,68,000	500		2,14,300	70,350	1,06,850	55,000	1,21,60,404
VII Post Office.													
Public	11,80,000	12,85,000	7,96,000	6,38,000	4,55,000	70,000		90,000	1,22,000	32,000	30,000	11,000	46,05,000
Service	5,03,000	4,35,000	3,80,000	5,30,000	7,70,000	95,000		3,000	53,000	63,000	65,000	6,000	28,05,000
Total Postage	16,85,000	17,10,000	11,75,000	10,65,000	12,25,000	1,65,000		93,000	1,75,000	95,000	95,000	17,000	75,00,000
VIII Electric Telegraph													
IX Law and Justice	8,80,587	3,27,725	4,26,195	1,56,050	2,31,000		2,96,000	50,150	1,00,000				6,98,834
X Police	1,05,500	1,07,800	2,17,357	1,35,700	72,000	54,000	2,57		9,573	31,660	98,300	73,800	33,68,654
XI Mint													
XII Marine	7,45,900		15,39,000	1,19,400	4,10,500		11,73,700	2,655					31,23,200
XIII Public Works.													
Receipts	11,91,995	20,41,384	5,12,860	1,89,300	6,54,900	84,800	1,66,235	56,080	4,07,064	31,579	49,912	3,000	56,68,319
Deduct—Local	8,82,000	8,09,285			2,75,000	15,000	93,235		2,00,000	25,825			23,00,385
	3,09,995	19,32,099	5,12,860	1,69,200	3,79,900	69,800	73,000	5,5080	2,07,065	6,050	49,915	3,000	33,67,934
XIV Tributes and contri- butions on account of Contingents from Native States		10,000											822,364
XV Miscellaneous Civil	8,01,000	6,35,489	23,000	4,59,200	3,05,610	15,050	34,41,702	21,240	36,998	2,143	46,672	7,830	34,16,857
Miscellaneous Military													
Interest		7,441		54,800	1,15,900		1,94,200						3,42,341
TOTAL	14,21,32,729	5,87,03,634	2,88,54,673	6,71,58,300	7,02,25,955	47,85,620	76,36,098	15,02,146	1,27,24,707	37,81,254	58,92,734	18,12,900	41,29,46,984

The Totals shown in the outer column, on either side, agree with those in the Appendix to the Financial Statement of the Honble Mr. Zainig, dated

FINANCIAL DEPARTMENT,
The April 1861.

6. Sterling Total,
Land Revenue, including Sayer, &c.,
...
18,683,529
1,237,804
£ 20,313,270

6. Sterling Total,
Land Revenue, including Sayer, &c.,
...
18,683,529
1,237,804
£ 20,313,270

6. Sterling Total,
Land Revenue, including Sayer, &c.,
...
18,683,529
1,237,804
£ 20,313,270

From, The Secy. to the Govt.
of Louisiana - Will Belet
Circular No
5240

~~Ms. A. 9. 2. 10.~~
MS. A. 9. 2. 10.
May 1864.

Dec 2.

11.255.

For the Proc. ~~2~~ 15th June 1861 $\frac{1}{2}$ 304

For a binding form a
formation copy of a
Station and showing the
retained Revenue and
Expenditure of India in
1861/62 and the sum
which have been passed
under each head of ex-
pense for the several years.
also Administrative.

With an Ode

Order thereon dated 18 Aug. 1861. No 248.

Ordered that copies of
the statement received with
this letter, be furnished
to the Revenue and Public
Works Department, and
to the Assistant Secre-
tary.

24

To The Revenue Dept^y
" Public Works Dept^y
" Steam & General
" Civil Engineering
Admⁿ
1860/61-5-5-67