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MADRAS RECORD OFFICE.

Government of Madras.

Financial
DEPARTMENT.

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Dated	23-7-	1861.

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

No. 59. Read the following Extract from the Proceedings of the Government of India in the Financial Department, dated 15th June 1861, No. 7,387.

Read again the undermentioned papers on the subject of the new system of Budget, Audit and Account :—

Letter from the Budget and Audit Committee, No. 6, dated 27th October 1860.

Financial Resolution, No. 11,300, dated 14th November 1860.

Letter from the Budget and Audit Committee, No. 10, dated 18th January 1861.

Financial Resolution, No. 852, dated 26th idem.

RESOLUTION.—The Governor General in Council observes that, in paragraph 57 of the Budget and Audit Committee's report, No. 6, of the 27th October 1860, the dates fixed for the preparation of the several returns were the following :—

The Departmental Budget Estimate to reach the local Civil Auditors (Accountants) by the 1st January.

The local Civil Auditors (Accountants) to close their several Budget Estimates, so as to reach the local Governments by the 15th January.

The local Government to examine the Budget Estimates and send them in to the Financial Department of the Government of India on the 1st February.

The local Civil Auditors (Accountants) to forward, direct to the Financial Department of the Government of India, their Estimates of cash requirements on the 1st February.

2. It was also proposed in the same report that the Military and Naval Estimates should be prepared and forwarded, under orders of the Military Finance Department, to the Deputy Auditors General at Madras and Bombay, who should incorporate them with the Civil Estimates in one general statement for the Presidency, and that such general statement should be sent through the local Government to the Financial Department of the Government of India, by which Department it was intended that the Military and Naval portions of the Estimates should be sent for report to the Military Finance Department.

3. The Governor General in Council also observes that, in paragraph 48 of the Budget and Audit Committee's report, No. 10, of the 18th January 1861, the Budget and Audit Committee repeated their opinion that this last-mentioned course should be followed; but instead of the combined Military and Naval Estimates being forwarded, after revision, direct to the Government of India by the Military Finance Department, they considered that it should be forwarded by that Department to the Auditor General. In like manner, they thought that the Civil Estimates of all the Presidencies and Administrations, should be forwarded by the Financial Department of the Government of India, to the Chief of the Civil Finance Department, for revision, and when the Estimates of the two Departments have respectively thus been revised, that the whole should be consolidated into one General Abstract Estimate by the Auditor General of India, for submission to the Financial Department of the Government of India.

4. It will certainly, His Excellency in Council thinks, be desirable, as time goes on, that the Chiefs of the Civil and Military Finance Departments should review the Budgets as they are received. There will, doubtless, be information at their command in connection with the detailed expenditure of the several Presidencies, which will not be available elsewhere, and they will in consequence be able to offer a better opinion as to the heads under which reductions may be feasible in the expenditure of the several Departments of the several Governments, than can be looked for from any other Officers. But it will be indispensable, in order to enable the Chiefs of the Departments to effect their revisions of the Estimates in proper time, that the Budget Estimates should be delivered on earlier dates than those mentioned above; and His Excellency in Council believes that it will also be advisable to rescind that part of the prescribed practice which provides for the consolidation, by the Auditor General, of the whole of the Budgets into "one General Abstract Estimate," for submission to the Financial Department.

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

5. Complaints have been received from more than one local Deputy Auditor that sufficient time is not now allowed to compile their Budget Estimates from the Departmental Estimates. It has also been urged that 15 days are not more than sufficient for a proper revision of the returns of the local Deputy Auditors by the local Governments, and as, after the Estimates have been received in this Department from the local Governments, they will have to be reviewed by the Chiefs of the Civil and Military Finance Departments, before they are brought up to be finally disposed of by the Government of India, in the Financial Department, it is essential, His Excellency in Council thinks, that the dates for the delivery of the Estimates should be changed. And, on a reconsideration of the question, he accordingly directs that the following dates be observed in the place of those prescribed in paragraph 57 of the Budget and Audit Committee's report, No. 6, of the 27th October :—

Departmental Budget Estimates to reach the local Civil Auditors (Accountants) by the 15th December.

The local Civil Auditors (Accountants) to close their several Budget Estimates so as to reach the local Governments on the 10th January.

The local Governments to examine the Budget Estimates and send them in to the Financial Department of the Government of India on the 25th January.

The Financial Department to send them on to the Chiefs of the Civil and Military Finance Departments immediately on receipt.

The local Deputy Auditors (Accountants) to forward direct to the Financial Department of the Government of India, their Estimates of Cash Requirements on the 1st February (as at present.)

6. In regard to the consolidation of the Estimates by the Auditor General, His Excellency in Council considers the measure inadvisable, because it will, in all probability, not be final. Alterations in the local Estimates will almost certainly be made in the Financial Department, and a fresh consolidated Estimate will in consequence have to be prepared. There will not either be time for both the consolidation by the Auditor General, and a proper review of the Estimates in the Financial Department. The one or the other must therefore be omitted, and as there is no doubt of the necessity of a full and careful examination of all the entries in the Financial Department, before the Budget is finally passed, His Excellency in Council has decided that the revision shall be made in the Financial Department before the consolidated Estimate is prepared, and also that the consolidation shall be effected in the Financial Department as it has been done heretofore.

Ordered, that a copy of the above Resolution be forwarded to the Budget and Audit Committee, for information.

* Home, Foreign, Military, and Public Works Department.

† Governments of Bengal, Madras, Bombay, North-Western Provinces, and Punjab.

‡ Auditor General of India.

Deputy Auditors and Accountants General, Bengal, Madras, Bombay, North-Western Provinces, and Punjab.

Civil Pay Masters, Bengal, Madras, Bombay, North-Western Provinces, and Punjab.

Sub-Treasurers, Fort William, Madras, and Bombay.

Military Finance Department.

Ordered, also, that a copy of the Resolution be sent to the Departments,* Governments,† and Officers,‡ noted in the margin, for information and guidance.

Ordered, further, that the Resolution be published in the *Government Gazette*, for general information, and that a copy be forwarded for the information of the Right Honorable the Secretary of State for India.

(A true Extract.)

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

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

No. 60.

ORDER THEREON, 23rd July 1861, No. 380.

Ordered that copies of the foregoing Resolution be furnished to the Revenue and Public Works and Military Departments, and also published in the Fort Saint George Gazette.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. F. Cartledge.

No. 4387

EXTRACT from the Proceedings of the Government of India, in the Financial Department, d. 15th June 1861.

READ again the undermentioned papers on the subject of the new system of Budget, Audit and Account:—

Letter from the Budget and Audit Committee, No. 6, dated 27th October 1860.

Financial Resolution, No. 11300, dated 14th November 1860.

Letter from the Budget and Audit Committee, No. 10, dated 18th January 1861.

Financial Resolution, No. 852, dated 26th idem.

RESOLUTION.—The Governor General in Council observes that, in paragraph 57 of the Budget and Audit Committee's report, No. 6, of the 27th October 1860, the dates fixed for the preparation of the several returns were the following:—

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The local Governments to examine the Budget Estimates and send them in to the Financial Department of the Government of India on the 1st February.

The local Civil Auditors (Accountants) to forward, direct to the Financial Department of the Government of India, their Estimates of Cash Requirements on the 1st February.

2. It was also proposed in the same report that the Military and Naval Estimates should be prepared and forwarded, under orders of the Military Finance Department, to the Deputy Auditors General at Madras and Bombay, who should incorporate them with the Civil Estimates in one General Statement for the Presidency, and that such General Statement should be sent through the local Government to the Financial Department of the Government of India, by which Department it was intended that the Military and Naval portions of the Estimates should be sent for report to the Military Finance Department.

3. The Governor General in Council also observes that, in paragraph 48 of the Budget and Audit Committee's report, No. 10, of the 18th January 1861, the

Budget and Audit Committee repeated their opinion that this last-mentioned course should be followed; but instead of the combined Military and Naval Estimates being forwarded, after revision, direct to the Government of India by the Military Finance Department, they considered that it should be forwarded by that Department to the Auditor General. In like manner, they thought that the Civil Estimates of all the Presidencies and Administrations should be forwarded by the Financial Department of the Government of India, to the Chief of the Civil Finance Department, for revision, and when the Estimates of the two Departments have respectively thus been revised, that the whole should be consolidated into one General Abstract Estimate by the Auditor General of India, for submission to the Financial Department of the Government of India.

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ORDERED, that a copy of the above Resolution be forwarded to the Budget and Audit Committee, for information.

* Home, Foreign, Military, and Public Works Departments.
† Governments of Bengal, Madras, Bombay, North-Western Provinces, and Punjab.
‡ Auditor General of India.
§ Deputy Auditors and Accountants General, Bengal, Madras, Bombay, North-Western Provinces, and Punjab.
|| Civil Pay Masters, Bengal, Madras, Bombay, North-Western Provinces, and Punjab.
¶ Sub-Treasurers, Fort William, Madras, and Bombay.
||| Military Finance Department.

Ordered, also, that a copy of the Resolution be sent to the Departments*, Governments†, and Officers‡, noted in the margin, for information and guidance.

Ordered, further, that the Resolution be published in the *Government Gazette*, for general information, and that a copy be forwarded for the information of the Right Hon'ble the Secretary of State for India.

(A true Extract)

Secretary to the Government of India.

1st March 1862

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The day to the Govt.
of India. Dec 8 = 1887.

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Ordered, That copies of the

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