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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No.	133	Press
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Dated	13-2-	18 62.

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Not to be folded or roughly handled

*Proceedings of the Madras Government, Financial Department,
13th February 1862.*

No. 62. Read the following Proceedings of Government in the Military Department, dated 5th February 1862, No. 436.

Making certain remarks as to the use of the terms "Local Troops" and "Local Estimate" in a letter to that Department from the Acting Accountant General, dated 3rd instant, and referring to the Financial Department for further consideration and orders the question of the disposal of the Military Budget. } (Vide Proceedings Military Department, dated 5th February 1862, Nos. 79A. and 79B.)

No. 63. ORDER THEREON, 13th February 1862, No. 133.

The question discussed in the above Order will be referred to the Government of India for their Orders. It seems to His Excellency in Council, highly desirable that the charges of the Madras Army, and the receipts pertaining to the Military Department should be incorporated in the Accountant General's Budget according to the course followed in the preparation of the Budget of 1861-62.

2. Meanwhile the Military Secretary to Government will forward to the Secretary in the Financial Department, the Military Budget Estimates for the ensuing year with any Orders that may be passed on them by Government to the intent that they may be forwarded to the Government of India.

(Signed) T. PYCROFT,
Chief Secretary.

Exd. T. O'Connor.

Madras Army

Budget and Finance
Department.

Fort St George 39
Acctt Genl's Office
3rd February 1862.

N^o 303.

From F. Lushington Esq^{re}
Acting Account^{nt}. General
To Colonel H. Marshall
Secretary to Government
Military Department

Sir,

I have the honor to acknowledge the receipt of the Proceedings of Government dated, Instant N^o 386, and to state for the information of Government, that, under recent instructions received from the Auditor General of India, and published by order of the Governor in Council in the Fort Saint George Gazette dated the 8th October last, page 471, the charges of Local Troops should be included in the Estimates of the Military Finance Department and omitted from the Local Estimates, and further that, the heads C and D in the Local Estimates will accordingly be left blank.

2. In the Forms of the Budget Estimates for 1862/63, received from the Auditor General of India, the items of receipts appertaining to the Military Department have been altogether left out. The instructions issued for preparing the Civil Budget for 1861/62, were however different. In that year's Budget, the Military receipts, as well as charges

C. Army
D. Navy.

Dated 25th Sept: 1861,
N^o 16, para 4.

charges, were exhibited, the receipts in detail and the charges in the aggregate. The regulation quoted in the margin of the order of Government under reference, does not apply to the Budget of 1862/63. 3. With this explanation, I beg to return the Army Budget for 1862/63, for transmission to the Military Finance Department.

I have &c.
Signed/ F. Lushington.
Acting Account General.

(True Copy)

H. Marshall
Secretary to Govt.

Recd 16/2/63
M^o 1/15.

Recd 16/2/63
M^o 1/15.

M. D.

No. 436

Proceedings of the Madras Government.

5th February 1862

Read the following Paper.

From the *Ag. Accountant General* here under 3rd Feby 1862, 1863.

It appears to the Governor in Council that the instructions of the Auditor General of India referred to in the foregoing letter, have been misunderstood by the *Ag. Accountant General*. 2. The Excellency is of opinion that the term "Local Troops" therein used, is inapplicable to the Madras Army, and this appears evident from the sense in which it is used and the explanation of it given in the "Orders of the Govt. of the 26th Feby last" quoted in the Auditor General's instructions, and on which those instructions are based. Under the definition of the Supreme Govt the term would be applicable to the "divisions" of the Madras Army serving in the Mysore and

and Hyderabad Territories, the cost of which would not appear in the Local Estimates.

Nor can the term "Local Estimate" be applied, His Excellency thinks, to the Estimate of the Madras Presidency which is prepared from several Local Estimates, properly so called, and is manifestly intended to exhibit every item of charge incurred by the Madras Govt. in every Branch of the General Administration.

Government are not aware on what authority Mr. Sutherland states that the Rule contained in the Financial Notification of the 26th Feby. 1867 No. 44 does not apply to the Budget of 1867. His Excellency in Council observes that, so far from this being the case, the instructions of more recent date quoted by the A. Accountant General refer to them as still in force and are apparently subsidiary to them.

Should the term "Local Troops" be held to be applicable to the Madras Army, it would appear necessary to have two Estimates in the Military

Military Department, one for the Indian portion of that Army and the other for the British Troops serving with it - the latter clearly not being "Local Troops."

With these remarks His Excellency in Council resolves to refer the question of the disposal of the Military Budget to the Financial Dept. for further consideration and orders.

S. Marshall
Secy Govt.

The Financial Department.

MILITARY DEPARTMENT.

PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following letter :—

From the Acting Accountant General, Fort Saint George, 3rd February 1862, No. 303 ; to the Secretary to Government, Military Department.

I have the honor to acknowledge the receipt of the Proceedings of Government, dated 1st instant, No. 386, and to state for the information of Government, that under recent instructions received from the Auditor General of India, and published by order of the Governor in Council in the Fort Saint George Gazette, dated the 8th October last, page 471, the charges of Local Troops should be included in the Estimates of the Military Finance Department and omitted from the Local Estimates" and further that "the heads C and D in the Local Estimates will accordingly be left blank."

2. In the Forms of Budget Estimates for 1862-63 received from the Auditor General of India, the items of receipts appertaining to the Military Department have been altogether left out. The instructions issued for preparing the Civil Budget for 1861-62, were however different. In that year's Budget the Military receipts as well as charges were exhibited, the receipts in detail and the charges in the aggregate. The regulation quoted in the margin of the Order of Government under reference, does not apply to the Budget of 1862-63.

3. With this explanation, I beg to return the Army Budget for 1862-63, for transmission to the Military Finance Department.

ORDER, No. 436, 5th February 1862.

It appears to the Governor in Council that the instructions of the Auditor General of India, referred to in the foregoing letter, have been misunderstood by the Acting Accountant General.

2. His Excellency is of opinion that the term "Local Troops" therein used, is inapplicable to the Madras Army, and this appears evident from the sense in which it is used and the explanation of it given in the "Orders of the Government of the 26th February last," quoted in the Auditor General's instructions, and on which those instructions are based. Under the definition of the Supreme Government, the term would be applicable to the "divisions" of the Madras Army serving in the Mysore and Hyderabad Territories, the cost of which would not appear in the Local Estimates.

3. Nor can the term "Local Estimate" be applied, His Excellency thinks, to the Estimate of the Madras Presidency which is prepared from several Local Estimates, properly so called, and is manifestly intended to exhibit every item of charge incurred by the Madras Government in every branch of the general administration.

4. Government are not aware on what authority Mr. Lushington states that the rules contained in the Financial Notification of the 26th February 1861, No. 44, do not apply to the Budget of 1862-63. His Excellency in Council observes that, so far from this being the case, the instructions of more recent date quoted by the Acting Accountant General, refer to them as still in force and are apparently subsidiary to them.

5. Should the term "Local Troops" be held to be applicable to the Madras Army, it would appear necessary to have two Estimates in the Military Department, one for the Indian portion of that Army and the other for the British Troops serving with it—the latter clearly not being "Local Troops."

6. With these remarks, His Excellency in Council resolves to refer the question of the disposal of the Military Budget to the Financial Department for further consideration and orders.

(True Extract.)

Secretary to Government.

To the Financial Department, with the Army Budget for 1862-63.

" Accountant General.

" Controller of Military Finance.

Exd. T. Stubbs.

Nothing certain remarks
as to the use of the term "Local Troops" & Local Estimate
in a letter to the Auditor General of India
of 25th Feb 1862. The question of the disposal
of the Military Budget

11/15

Exd. 1.

25th Feb 1862.

Exd. 1. 1862. Exd. 1.

Exd. 1. 1862. Exd. 1.

PROCEEDINGS of the MADRAS GOVERNMENT.

Read the following Proceedings
in the Military Department.

(Here enter 5 Febry. 1862 No. 36.)

order thereon 13th February 1862 No. 133.

The question discussed
in the above order will be
referred to the Govt. of India
for their orders. It seems to
His Excellency in Council
highly desirable that the
charges of the Madras
Army and the receipts per-
taining to the Military
Department should be
incorporated in the Ac-
countant General's Budget
according to the course fol-
lowed in the preparation
of the Budget of 1861/62.
2. Meanwhile the Military
Secretary to Govt. will forward
to the ~~Chief~~ Secretary in
the Financial Department
the

[Signature]

[Signature]

[Signature]

13 Feb 1862 No. 133

[Handwritten notes]

[Handwritten notes]

the Military Budget Estimate
for the ensuing year with
any orders that may be
passed on ^{them} by Govt. to
the intent that ^{they} may
be forwarded to the Govt.
of India -

JP

To the Military ^{Dept} ~~Secretary~~ ^{to the} ~~General~~ }
- a - Accountant General - }

19 Copies - ^{Supper} for
Despatch 13th

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Final

1862. Department.

No. 133.

PROCEEDINGS of the MADRAS
GOVERNMENT.

dated 13 February 1862

Comd