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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

Letter G.O. No.	100	Press Mis.
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Dated	16-2-	18 65.

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*Proceedings of the Madras Government, Financial Department,
16th February 1865.*

No. 42. Read the following Proceedings of Government in the Military Department, dated 14th February 1865, No. 652.

Transmitting the Budget Estimate of Army } (Vide Proceedings, Military Department, dated
expenditure for the year 1865-66. } 14th February 1865, Nos. 366 & 367.)

No. 43. To the Secretary to the Government of India, Financial Department, dated Fort Saint George, 16th February 1865, No. 100.

I am directed by His Excellency the Governor in Council to transmit to you the Budget Estimate of Army expenditure for the year 1865-66, together with the report of the Controller of Military Finance and the remarks of Government thereon.

(Signed) A. J. ARBUTHNOT,
Chief Secretary.

Exd. J. Tulloch.

MILITARY DEPARTMENT.
PROCEEDINGS OF THE MADRAS GOVERNMENT.

Read the following letter:—

From the Acting Controller of Military Accounts, Fort Saint George, 7th February 1865, C; to the Secretary to Government, Military Department.

I have the honor to submit herewith the Military Budget and Cash requirement Estimates of this Presidency for the year 1865-66, with Appendices.

2. In my letter of the 24th January 1865, D, I explained the delay in the preparation of these Estimates—every precaution was taken to obviate delay by the timely issue of instructions to Departments; but, as the new forms in which it was finally determined the Estimates should be prepared were not received here till the 27th December, and an entire re-construction of the Estimate became necessary, the causes of delay were beyond the control of this Office.

3. As will be observed, the mode in which the Estimate has been prepared differs from that observed, in previous years. Its present form is that recommended by the Commissioners on Military Accounts slightly modified.

4. The various services have been classified as "Effective" and non-"Effective"—the provision for the "Effective services" comprises 16 Grants, and the provision for non-Effective services 5 Grants.

5. A 17th small Grant has been included under the Head of Effective services, and numbered 16½, on account of local supplies of Stationery for the Military Department, for which an Estimate has been sent in by the Superintendent of Stationery. As but one Indent on the Home Authorities for Stationery for both the Civil and Military services is to be submitted, I conceive that, provision should now be made for the whole of the Stationery in the Civil Department; but, as the non-inclusion of any provision for the Military Department might leave the supply unprovided for, it is separately entered, and may be transferred to the Civil Estimates, should such be the intention of the Government of India.

6. The Grants follow generally the principle of providing separately for the entire wants of each distinct Service and Department; and under each Grant the Personnel and Materiel of each Department are both provided for, but the provision for each separately exhibited.

7. The basis of the Estimate is the established strength, but a deduction is made on account of Officers in Europe, and in Staff employ, in Grant 3, "Regimental Pay, Allowances, and Charges."

8. The Estimate exhibits in juxtaposition the Budget Estimate of 1865-66, the Regular Estimate of 1864-65, and the actuals of 1863-64.

9. By a communication just received from the Accountant General, Military Department of the Government of India, I find that the Regular Estimate for 1864-65, is not required in separate form, the figures quoted in the Budget Estimate of 1865-66 being sufficient. As, however, the Regular Estimate has been prepared, and with detailed explanations of the variations between it and the Budget Estimate of 1864-65, amounting to upwards of thirty-three lacs, I have the honor to forward it with these Estimates, seeing that the increase in the expenditure during 1864-65, is more clearly and accurately explained in that form than it could possibly be in the general terms of a Report.

10. The regular Estimate has been compiled according to the Grants, and has been left open till a late date, in accordance with the desire of the Government of India, that the latest data might be available, and that the Estimate might form an efficient check on the Budget Estimate of 1865-66.

Rupees 1,64,174
 36,886
 ,, 2,01,060

year's full supply in addition to close upon two year's consumption, which he will have on the 1st May 1865, should suffice, even if the use of Arrack is to be continued.

Stud and Remount Establishments, Supplies and Services.

"Clothing Establishment, Supplies and Services."

1,27,130
 34,100
 93,030

7 *"Barrack Establishment, Supplies and Services."*

8 *"Administration of Martial Law."*

"Medical Establishment, Services, and Supplies."

"Ordnance Establishment, Stores and Camp Equipage."

1,81,223
 93,700
 87,523

11 *"Ecclesiastical."*

12 *"Education."*

13 *"Surveys, Topographical and Trigonometrical."*

Sea Transport Charges.

"Miscellaneous Services."

Estimate for Batta and Gratuities to discharged men of disbanded Corps, and to a larger extent for Kit money.

"Military Pensions."

35. The only Grant under the head of non-Effective Services requiring special notice is No. 19. There is an apparent increase of Rupees 1,74,000, on account of Pensions; but the provision for 1864-65, was made upon the Returns of Officers in charge, which have proved to be incorrect—the service is now estimated for on correct Returns furnished by the Superintendent of Pensions—hence the increase in the present Budget.

36. The total of the proposed expenditure for the ensuing year is Rupees 328,84,540, for Effective and non-Effective Services, against Rupees 326,46,900, the expenditure of the current year as admitted in the Regular Estimate, a provision,

26. Provision for Malt Liquor and Arrack has, therefore, been reduced as above by Rupees 2,01,060. The Commissary General does not explain any necessity for increasing the present reserve of Arrack, and one

27. Grant 5 calls for no remark, as the slight increase is attributable to enhanced price of grain, and an increase of salary of the Apothecary.

28. In the Clothing Department, Grant 6, there is a decrease in the amount of Compensation provided, as there was in the current year an issue of differential Compensation between Cloth and Serge Clothing; but there is an increase under the heads of "making Clothing" and "Local Supplies," which in some degree counterbalances the decrease noticed.

29. Grants 7 and 8 do not require notice.

30. In Grant 9 there is a decrease of Rupees 31,685 in the demand for local supplies.

31. In Grant 10 there is a decrease under the Head "Local Supplies" and "Repairs of Saddlery," counterbalanced partially by an increase under the head of Contingencies and other minor charges.

32. Grants 11—12 and 13 call for no remark—no provision under the last in this Presidency is necessary.

33. In Grant 14 there is an increase to meet the movement of two Garrison Batteries and eight Regiments of Native Infantry.

34. Under Grant 15 there is a decrease of Rupees 1,59,169, provision having been made in the Regular

which required no Cash requirement to the extent of Rupees 7,503, in Grant 10, having been struck out in exhibiting the figures of the Regular Estimate in the Budget. The Regular Estimate, however, still includes provision for 7,160 Hogsheads of Malt Liquor, as the Commissary General has appealed against the reduction to 5,276, the latter, as the sanctioned quantity, alone being admitted in the Budget.

37. The Military Charges have greatly increased during the current year in consequence, chiefly, of the large increases in allowances authorized in recent orders; and the abolition of the half Batta rates of Pay will still further augment these charges to some extent, however the increased expenditure is attributable to the enhanced price of supplies generally.

297,17,030
326,46,903
328,84,540

38. The actual expenditure of 1863-64 was Rupees 297,17,030 against which the total of the Regular Estimate of 1864-65, and of the Budget Estimate for 1865-66, shew a large increase in the cost of the Army.

39. Since the Budget was closed, I have received an increased Estimate from the President of the Sanitary Commission, providing for a large Establishment, which will be submitted shortly with a separate communication: provision has been made in Grant 15 for the Establishment, &c., sanctioned by Government.

40. Copies of these Estimates have been posted for transmission by the *Candia* to the Accountant General, Military Department of the Government of India.

41. The valuable services of Mr. R. Mitchell, Head Assistant in the Budget Department, in the preparation of the details of the Estimate, have, on several occasions, been brought to the notice of Government—they have been continued with the same zeal and ability as before, and his labours have been specially heavy in connection with the present Estimates.

ORDER, No. 652 14th February 1865.

The Acting Controller of Military Accounts places before Government, with the foregoing letter, the Budget Estimate of Army Expenditure for the year 1865-66, amounting to Rupees 328,84,540.

2. This sum is in excess of the aggregate of the Regular Estimate for 1864-65, (which is also submitted) by Rupees 2,37,637, and of the actual expenditure in 1863-64, by Rupees 31,67,510.

3. The several causes of these excesses are stated, generally, in paragraph 12 *et seq* of the letter above recorded, and in detail in the Estimates themselves, and do not appear to call for special remark on the part of Government.

4. The Governor in Council notices, with approbation, the manifest care with which the Estimates have been prepared, and the testimony borne in the concluding paragraph of the Controller's letter to the continued zeal and ability of Mr. Mitchell, in connection with their compilation.

5. Ordered that the Budget Estimates, accompanied by the Controller's Report, be forwarded to the Financial Department, for transmission, by the earliest opportunity, to the Government of India.

(True Extract.)

Marshall
Secretary to Government.

To the Controller of Military Accounts.

„ Financial Department, with 10 Estimates. *75 spare Copies.*

Exd. J. E. Cashart.

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Dist of 20th Feb

Wm. J. G. G. G.
No. 92
Received of the Hon.
Secretary of the Army
the sum of Rs. 1000/-
for the year 1865-66.

Financial Dept.
Proceedings of the
Military Dept.
No. 652
dated 14th Feb 1865
1100 15 } of Feb 1865
4/1 142

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Financial Department

No. 100-

To the Secy. to the Govt. of India

Financial Dept.

Sir,

I am directed by His
Excellency the Governor
in Council to trans-
mit to you the Bud-
get Estimate of Army
Expenditure for the
year 1865-66, together
with the report of the
Controller of Military
Finance and the
remarks of Govern-
ment thereon.

To H. H. George.
16 February 1865

W. J. G.

W. J. L. 20. 1865

Transmitted 1865. 20. 1865

20. 1865

The President of the United States

20. 1865

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