M.R.O. 1—77,006—8-6-37.

(1) Number of pages 4

(2) Date of repair 16.8.37

(3) Initials of the Referencer

# MADRAS RECORD OFFICE.

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## Government of Madras.

PUBLIC DEPARTMENT.

G.O. No. 160 Press / Mis.

46-47.

Dated 24-6- 1866.

314

46-47

***Not to be folded or roughly handled***

No. 46. Read the following Extract from the Proceedings of the Government of India, in the Financial Department, dated 29th March 1866, No. 1426

Extract from a Despatch from the Right Honorable the Secretary of State for India, to His Excellency the Governor General of India in Council, dated London, 8th February 1866, No. 27.

Paragraph 4. In your Budget and revised Estimates, the sum stated for stores from England is 488,750*l.* It is not explained in your letter how this sum was obtained, but I conclude it is based on the estimate forwarded to you with my Financial Despatch, dated the 16th January 1865, No. 4, by deducting therefrom the cost and freight of copper. That estimate was framed here, in the usual manner, from information in the Store Department, as to the expenditure of former years and the probable demands from India for stores which would require to be paid for in this country.

1865-66.

| | £ |
|---|---|
| Payments in England for Stores, including freight. | 599,300 |
| Deduct—Cost and freight of Copper..... | 110,550 |
| Total | £488,750 |

5. Since the date of that Despatch, however, the demands from India have greatly exceeded our expectations, and, as you were informed in my Financial Despatch of the 16th January last, No. 7, the amount which it is now estimated will have to be paid in this country for stores, during the current year, will probably be no less than 1,264,800*l.*, or, deducting the cost and freight of copper, 1,071,574 *l.*

| | £ |
|---|---|
| Payments in England for Stores, including freight | 1,264,800 |
| Deduct—Cost and freight of Copper..... | 193,226 |
| Total.... | £1,071,574 |

6. Under the system of account hitherto existing, the annual estimates and statements of receipts and expenditure, prepared in India, have included as a charge the value of stores *received in India* in each year. I understand, however, your estimate for this year to be adopted from the statement sent out by me in January 1865 of the probable sums to be *paid in this country* during the year, with the deduction to which I have above alluded. This is the correct principle on which the estimate should be framed; and it will be necessary, therefore, that in your Regular Estimate, the charge for stores should be increased from 488,750*l.* to 1,071,574*l.*

7. This large expenditure for stores for India during the current year is in all probability exceptional. In the enclosure to my Financial Despatch of the 16th January last, No. 7, the amount estimated to be expended on this account, in 1866-67, was stated at 937,500*l*, or, exclusive of copper, 748,351*l.*, which is 323,223*l.* less than the estimated expenditure of the current year. In that Despatch, I called your serious attention to the great increase of charge under this head, and it is indispensable that measures should be taken to limit your requisitions as much as possible.

8. It is essential, moreover, that as much accuracy as possible should be attained in preparing these estimates. The only data upon which estimates can be framed in this country of the probable expenditure for stores for India are the expenditure of former years, and the indents received at the time when the estimates are framed. But, when requisitions in excess of what were anticipated are subsequently received, the estimates prepared must inevitably be deranged.

9. It is, therefore, important that estimates of the stores that will probably be indented for in each official year should be prepared some time beforehand in India, and transmitted to me so as to arrive in this country before the time of preparing the estimate of payments to be made at Home. In order to prepare these estimates, information should be obtained from the several Governments and Departments in India; and, if punctually transmitted, they would afford the means of preparing in this country estimates of the sums required to be provided on account of stores, with a very near approach to accuracy.

*Proceedings of the Madras Government, Financial Department,*
*24th April* 1866.

Ordered that a copy of paragraphs 4 to 9 of the Despatch be sent to
The several Secretariats of the Government of India.
„ several Local Governments.
„ several Administrations of the Government of India.
„ Mint Master, Calcutta.
Also, that a copy of paragraphs 4 to 6 be sent to the Comptroller General of Accounts.

(A true Extract).

(Signed) J. E. COOKE.
*Asst. Secy. to the Govt. of India.*

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No. 47. Order thereon, 24th April 1866, No. 160.

Communicated to the several Departments of the Secretariat, and to the Accountant General.

(True Extract).

Revenue Department.
Public Works do.
Military do.
Public do.
Educational do.
Marine do.
Mint Master.
Accountant General.

*No.* 1426.

*EXTRACT from the Proceedings of the Government of India, in the Financial Department, dated* 24 *March* 1866.

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(A true Extract) J E Cooke

*Assistant Secy. to the Govt. of India.*

[Exd. N. R. Nundy.]
339. 28-3-66

~~Public~~ 1866 Dept
Financial
Ext Pros. Govt of India
Fin. Dept
No 1426

Ordnance
Ry Dept 1866

1 Spare Copy
~~Con~~ 141.

Comm. Copy of a Despatch
from Secy of State respecting
the preparation of Returns
of Stores required from
England

Written and Ordered

No. 1866 26 April 1866.
To communicate to the Secretary
of the Treasury and to the Accountant General.

[illegible]

46. 47.