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MADRAS RECORD OFFICE.

Government of Madras.

Financial DEPARTMENT.

G.O. No. [illegible] Press/Mis.

[illegible]

Dated 7 [illegible] 18 .

29/30

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Not to be folded or roughly handled

FINANCIAL DEPARTMENT.

No. 60.

FROM

THE HON. R. S. ELLIS, C.B.,
Chief Secretary to the Government of Fort Saint George,

TO

THE SECRETARY TO THE GOVERNMENT OF INDIA,
FINANCIAL DEPARTMENT.

SIR,

Jails. Registration.
Police. Education.
Medical Services, excluding Medical Establishment, and Printing.

I am instructed by the Governor in Council to submit, for the sanction of the Governor-General in Council, the Civil Budget of this Presidency for the year 1871-72, excluding therefrom the several departments noted in the margin, which have, under the Resolution of the Government of India dated the 24th December 1870, No. 3334, been transferred to "Provincial Services."

2. The "Revenues and Receipts" for 1871-72 are estimated at Rupees 795,71,270, and exceed the estimate for 1870-71 by Rupees 25,94,770, and the regular estimate for the current year by Rupees 3,20,370. The excess is chiefly under Land Revenue, Salt, Law and Justice, and Miscellaneous.

3. The expenditure is estimated at Rupees 211,59,337. The grant for the current year is Rupees 204,08,801, and the regular estimate has been calculated by the Accountant-General at Rupees 199,61,727. The excess of Rupees 7,50,536 over the grant for the current year arises entirely from the inclusion in the Budget of a sum of Rupees 5,94,118 on account of "Process Service," and from an addition of Rupees 1,53,041 for official postage and service stamps, under the heads of "Law and Justice" and "Land Revenue."

RECEIPTS.

4. I. *Land Revenue*, Rupees 435,50,000.—This Government have fixed the estimate at Rupees 435,00,000, to which the Accountant-General has added a sum of Rupees 50,000 for the commutation of collections in the Island of Seringapatam. The estimate exceeds the current year's estimate by Rupees 10,88,000. The actual collections during the last seven months of each of the three years 1864-65, 1865-66, and 1866-67 averaged about 317 lakhs. The average collections for the corresponding period of [illegible] following three years 1867-68, 1868-69, and 1869-70 exceeded 254 lakhs. Assuming then the collection of the last seven months of 1870-71 to be equal only to the average of the latter series, the actual revenue of the year will in all probability exceed 435 lakhs; there is, therefore, every reason to hope that the income in 1871-72 will not be less than the amount estimated for.

5. II. *Tributes and Contributions*, Rupees 34,46,000.—This amount is the same as the estimate and regular estimate for 1870-71.

6. III. *Forest*, Rupees 4,95,000.—This sum exceeds the estimate for 1870-71 by Rupees 45,000, and the regular estimate by Rupees 10,000. The actuals in 1869-70 amounted to Rupees 4,95,789, and exceeded the estimate for that year by Rupees 31,789, owing to extensive sales of teakwood, sandalwood, &c., and a larger income from seigniorage. Anticipating similar results in the current

and future years, the Government have fixed the estimate for 1871-72 at Rupees 4,95,000, which the Government of India have, in their Resolution in the Public Works Department dated the 14th December 1870, No. 765-F, sanctioned.

7. IV. *Excise on Spirits and Drugs*, Rupees 58,00,000.—This exceeds the estimate* for 1870-71 by Rupees 1,00,000. The Accountant-General has raised the regular estimate for that year to Rupees 60,00,000 consequent on an increase, in the receipts, of 2¾ lakhs of Rupees, during the first eight months of the year. But making allowance for failures of Contractors, the Government think that the estimate of Rupees 58,00,000, submitted by the Board of Revenue, is a safer one to adopt, than any estimate based on the actuals of eight months of the current year.

* Rupees 57,00,000.

8. V. *Assessed Taxes*, Rupees 25,00,000.—The regular estimate is fixed at the same amount. It is Rupees 1,05,000 less than the estimate† fixed by the Government of India for the current year. The estimate for 1871-72, however, is entirely dependent on the action which the Imperial Legislature may take in respect to the rate of Income-tax during the next financial year. The Governor in Council trusts that, if the tax is to be retained, the rate will be considerably reduced, and that the tax will not be applied to incomes not exceeding Rupees 1,000 per annum.

† Rupees 26,05,000.

9. VI. *Customs*, Rupees 27,75,000.—The actuals for 1869-70 amounted to Rupees 27,64,849, and the estimate for the current year is Rupees 27,22,000. The actual receipts for the first eight months of 1870-71, however, exhibit an increase of upwards of a lakh-and-a-half of Rupees, as compared with the corresponding period of last year, and as the depression of trade resulting from the war in Europe is not likely to be continuous, the Government have adopted the estimate of Rupees 27,75,000.

10. VII. *Salt*, Rupees 133,00,000.—There is an increase of three lakhs in this item as compared with the estimate and regular estimate for 1870-71. The extension of the North-West Railway will, it is expected, largely augment the sales in the Chingleput District (Madras stores), and the estimated revenue for 1871-72 is likely to be realized to the full extent, if the expenditure necessary for placing the works and their approaches in proper order is provided for as proposed under the head of "Charges."

11. IX. *Stamps*, Rupees 18,50,000.—This is Rupees 50,000 in excess of the regular estimate, and Rupees 4,37,500 above the estimate for 1870-71.

12. X. *Mint*, Rupees 10,000.—Is the same as the estimate and regular estimate for 1870-71.

13. XIII. *Law and Justice*, Rupees 31,53,670.—This estimate exhibits an increase of Rupees 5,68,970, and exceeds the estimate and regular estimate for 1870-71 by Rupees 1,31,670 and Rupees 4,18,970. The increase is expected to be realized from "Process Service Fees."

14. XV. *Marine*, Rupees 25,000.—The regular estimate‡ for 1870-71 has been raised by the Accountant-General; but, as shown in his "Explanation of variations," the excess receipts in 1870-71 are due to an extraordinary receipt by the sale of stores and materials belonging to the steam tug at Paumben.

‡ Rupees 50,000.

15. XVII. *Interest*, Rupees 1,66,400 and XVIII. *Miscellaneous*, Rupees 25,00,200.—Under both heads there is an increase in the estimate for 1871-72 as compared with the estimate and regular estimate for 1870-71. The Accountant-General has explained the cause of increase in the items included under each head.

Charges.

16. Grant 2, *Interest*, Rupees 9,57,780.—This provision exceeds the average of the actuals for 1867-68, 1868-69, and 1869-70 by Rupees 1,24,400, and the estimate and regular estimate for 1870-71 by Rupees 1,57,180 and Rupees 1,68,920 respectively, and is due mainly to an anticipated increase under "Civil Service Annuity Fund" of Rupees 1,83,480 on account of arrears of interest.

17. Grant 3, *Refunds and Drawbacks*, Rupees 2,39,000.—The estimate falls short of the grant and regular estimate for the current year by Rupees 71,000, and the actuals* for 1869-70 by Rupees 75,390. It is difficult to estimate the demand under this head accurately, and as no extraordinary payments, as in 1869-70 and in 1870-71, are anticipated in 1871-72, the estimate submitted by the Board of Revenue has been adopted.

* Rupees 3,14,390.

18. Grant 4, *Land Revenue*, Rupees 44,95,600.—The charge for 1871-72 exceeds the grant† for the current year, as well as the regular estimate‡ by Rupees 2,21,380, and Rupees 94,140 respectively, owing to the inclusion, for the first time, of a sum of Rupees 25,000 for the service of revenue processes, to the addition of Rupees 1,06,497 and Rupees 18,000 for "Official Postage" and "Service Stamps" respectively, and to minor increases in other items. The Government do not deem it expedient to make any reduction, as they did in the estimate for the current year, on account of probable savings in sanctioned salaries, as the grant§ for 1870-71 is likely to be insufficient. The copies of the Proceedings of this Government, noted in the margin, contain a full review of the several items included under the general heads of

"Land Revenue," viz.:—
Collectors' Establishments, &c.
Revenue Survey.
Land Settlement charges.
Inam Commission.

† Rupees 42,74,220.
‡ „ 44,01,460.

	RS.
Regular Estimate............	44,01,460
§ Grant........................ ...	42,74,220
Excess......	1,27,240

15th December, No. 2039.
16th „ „ 2044.
21st „ „ 2089.
21st „ „ 2090.

19. Grant 5, *Forest*, Rupees 3,87,000.—In their Resolution in the Public Works Department, dated the 14th December 1870, No. 765-F, the Government of India have reviewed the Forest Budget Estimate of this Presidency, and have passed the proposed charge of Rupees 3,87,000 for 1871-72, which falls short of the anticipated receipts by Rupees 1,08,000.

20. Grant 6, *Excise on Spirits and Drugs*, Rupees 3,00,000.—The current year's grant of Rupees 2,76,000 is expected to fall short of the actual requirements by Rupees 73,000. The estimate for 1871-72 has been fixed, therefore, at Rupees 3,00,000. It provides, not only for the sum of Rupees 73,000, but also for all liabilities of the year being paid within the year, instead of payment being deferred, as has been the case hitherto, for want of funds, until the ensuing year. The excess of Rupees 24,000 over the grant of 1870-71 will be more than covered by the increase anticipated from "Excise on Spirits and Drugs" in 1871-72.

21. Grant 7, *Assessed Taxes*, Rupees 47,000.—The grant for the current year, viz., Rupees 25,000, having proved insufficient for the efficient working of the Income Tax Act, the Government of India were requested‖ to sanction the transfer of a sum of Rupees

‖ Letter to Secy. to Govt., Finl. Dept., dated 7th Dec. 1870, No. 1964.

10,400 from "Land Revenue" to "Assessed Taxes." In their Resolution, dated the 31st ultimo, No. 4218, however, they allowed the expenditure under "Assessed Taxes" to proceed without reference to Budget limits. The estimated charge for 1871-72 exceeds the current year's grant by Rupees 22,000. The excess is necessary to defray the cost of establishments both at the Presidency and in the Provinces. It may be noted that reduction in the *rate* of tax only, unless the area of its incidence be also reduced, will not reduce the cost of establishments.

22. GRANT 8, *Customs*, Rupees 1,81,400.—The grant for 1870-71 amounts to Rupees 1,73,900, and the regular estimate has been calculated at Rupees 1,72,090 by the Accountant-General. The excess over the grant is Rupees 7,500. It is occasioned by an addition of Rupees 10,000 for "Petty Construction and Repairs;" but, as the Board of Revenue have not explained the necessity for the outlay in 1871-72, the Government have decided on omitting the sum of Rupees 10,000 from the Budget, and reducing the charge under "Customs" to Rupees 1,71,400, or Rupees 690 less than the regular estimate* for 1870-71.

* Rupees 1,72,090.

23. GRANT 9, *Salt*, Rupees 17,00,000.—Exceeds the grant for 1870-71 by Rupees 2,00,000, and the regular estimate by Rupees 2,03,100. The increase is mainly due to the following items:—

—	1870-71. Grant.	1870-71. Regular Estimate.	1871-72. Estimate.
	RS.	RS.	RS.
Petty Construction and Repairs	92,000	92,000	1,00,000
Do. works for manufacture, &c., of salt	......	30,000	70,000
Purchase of salt and manufacturers' share	10,08,000	9,78,000	11,00,000
Total...	11,00,000	11,00,000	12,70,000

As regards the first two items, it must be pointed out that the entry in the column of "Actuals, eight months," affords no guide whatever for testing the accuracy of the estimate, inasmuch as the actual bulk of the expenditure is incurred only in the last three or four months of the financial year, after the cessation of the rains. The total expenditure in the last three years, on this account, is noted below:—

	RS.
1867-68	1,25,819
1868-69	1,81,510
1869-70	86,300

It is the inadequacy of the expenditure in the last year of the series, and of the provision for the purpose in the current year, which renders necessary the increased charge proposed for 1871-72; for, as will readily be understood, the situation of the works on sandy low tracts renders them extremely liable to damage from seasons and floods, and inability from want of funds to maintain them in proper repair inevitably entails ultimately larger expenditure than would otherwise be needed to restore them to that state of efficiency on which manufacture and sales, and therefore revenue, are absolutely dependant. It is believed that the grant sought will not more than suffice to put the works and their approaches in that condition which is essential to the maintenance of revenue.

The provision proposed for the "Purchase of salt and manufacturers' share" is a very moderate estimate of the amount necessary to allow of the stores being replenished to the extent which experience has shown to be necessary to guard against possible disaster—viz., eighteen months' stock. The reduced grants of the last two years have necessarily limited manufacture while sales have been extending, and the result is that stocks have fallen so low that special efforts are absolutely necessary for replenishing them. If it should be found possible to secure the stock which is desired, the charges would probably aggregate Rupees 14,45,000, while a total grant of only Rupees 12,45,000 is sought for this service.

24. GRANT 11, *Stamps*, Rupees 99,290.—This is less than the regular estimate for the current year by Rupees 6,400, while it exceeds the grant by Rupees 9,484, larger provision having been made to meet the commission payable to vendors on increased sales.

25. GRANT 12, *Mint*, Rupees 32,000.—This charge is less than the grant for 1870-71 by Rupees 9,136, consequent on the amalgamation of the Assay Office and Bullion Depôt. But as the Government of India have been informed in my letter, dated the 11th instant, No. 19, that this Government saw no difficulty in assigning the duty of assaying coin or bullion to the Chemical Examiner, in addition to his ordinary duties, they are of opinion that the charge of Rupees 18,000 for "Assay Master" may be removed from the estimate, and the assignment for 1871-72 reduced to Rupees 14,000.

26. GRANT 15, *Administration*, Rupees 13,18,756.—There is a decrease under this head of Rupees 31,003, as compared with the grant* for 1870-71. The cause of decrease under each item is sufficiently explained, by the Accountant-General, in his "Statement of variations."

* Rupees 13,49,759.

27. GRANT 16, *Minor Departments*, Rupees 1,60,540.—The increase under this head of Rupees 4,210 over the grant for 1870-71 is due to the inclusion of a sum of Rupees 2,200 on account of official postage under "Examinations," and to the addition, under "Public Observatory," of the salary of Assistant Astronomer, Rupees 1,800, whose appointment was sanctioned by the Secretary of State in his Despatch, dated the 16th June 1870, No. 66, Public.

Order of the Govt. of India, Finl. Dept., dated 27th July 1870, No. 2310.

28. GRANT 17, *Law and Justice*, Rupees 39,26,200.—The grant under this head for 1870-71 is Rupees 32,93,676, and the regular estimate has been fixed by the Accountant-General at Rupees 34,10,620. The excess of Rupees 6,32,524 is occasioned by the provision of a sum of Rupees 5,66,968 for Process Service Establishments, and by an increase of Rupees 85,112 under "Criminal Courts" in consequence of the reduction carried out in the Budget Estimate for 1870-71, on account of probable savings under salaries of Collectors and Magistrates and their establishments, which are debited to "Land Revenue" and "Law and Justice—Criminal Courts," not having, for the reasons assigned in paragraph 18 of this letter, been made in the Budget for the ensuing year. The enclosed copies of the Proceedings of this Government contain the review of the estimates under "Law and Justice." It will be necessary to provide under this head a sum of Rupees 11,352 on account of the establishment of an additional Principal Sudder Ameen's Court at Tanjore, sanction for which was solicited in my letter to the Government of India, Home Department, dated the 28th December 1870, No. 1679. The addition, it will be seen from the Accountant-General's "Statement of variations," can be met from the saving of Rupees 6,000 and Rupees 6,678 shown under "Principal Sudder Ameens" and "Establishments."

7th Sept. 1870, No. 1198.
7th Oct. ,, ,, 1296.
22nd Nov. ,, ,, 1525.
5th Dec. ,, ,, 1582.

29. Grant 19, *Marine*, Rupees 73,310.—The estimate is less than the grant for 1870-71 by Rupees 470. The Proceedings of this Government, number and date as per margin, contain the review of the estimate submitted by the Master Attendant, Madras. The estimate has, in the usual course, been submitted to the Government of India in the Military Department.

Dated 24th October 1870, No. 295.
" 25th November 1870, No. 333.

30. Grant 20, *Ecclesiastical*, Rupees 4,04,244.—This is less than the grant for 1870-71 by Rupees 12,999, and exceeds the regular estimate by Rupees 39,189. The estimate includes an item of Rupees 5,000 for rewards to Chaplains which the Government are of opinion may be safely reduced to Rupees 2,000, and the charge for 1871-72 fixed at Rupees 4,01,244. The remarks of this Government on the estimate of the "Church of Scotland" are embodied in their Proceedings, dated the 6th December 1870, No. 194, copy of which is enclosed. It will be seen from these Proceedings, and from my letter to the Government of India in the Home Department, dated the 13th December 1870, No. 198, that it has been proposed to abolish the appointment of Junior Chaplain attached to the Church of Scotland, and that his salary and house rent, amounting to Rupees 6,900, have been omitted from the Budget Estimate. Should, however, the reduction not be sanctioned, it will be necessary to include the amount in the estimate for 1871-72, and in any case provision will be necessary for the full number of actual incumbents (being one more than are included in the Budget, but one of whom is on leave,) until the reduction is actually effected. This item of charge could, however, doubtless be met from ordinary savings out of the total grant.

Copy enclosed.

31. Grant 22, *Medical Services*, Rupees 3,79,677.—The estimate is less than the grant for the current year by Rupees [illegible], which exceeds the regular estimate by Rupees 16,927. The estimate submitted by the Inspector-General, Indian Medical Department, has been carefully reviewed by this Government in their Proceedings, number and date as per margin, copies of which are enclosed; and the charge for 1871-72 has been reduced to what is absolutely necessary.

27th October 1870, No 1382.
20th December 1870, No. 1659.

32. Grant 23, *Stationery*, Rupees 1,05,340.—This is less than the grant and regular estimate for 1870-71 by Rupees 1,487 and Rupees 1,000. The Proceedings* of this Government, dated the 13th October 1870, No. 1286, contain the review of the detailed estimate submitted by the Superintendent of Stationery.

* Copy enclosed.

33. Grant 24, *Political Agencies*, Rupees 1,04,810.—The increase under this head of Rupees 4,260, as compared with the grant for 1870-71, is due to an increase of Rupees 2,871 in the salary of the Residency Surgeon at Travancore, and of Rupees 1,187 for the travelling charges of the Resident and his establishment, and of Rupees 1,100 on account of charges incurred for State prisoners under surveillance.

34. Grant 25, *Allowances and Assignments under Treaties and Engagements*, Rupees 27,98,270.—There is a decrease under this head of Rupees 1,99,430 and Rupees 13,640, as compared with the grant and regular estimate respectively for 1870-71. The Accountant-General has explained the cause of decrease under each item.

35. Grant 26, *Miscellaneous*, Rupees 13,52,410, exhibits an increase of Rupees 58,710 over the grant of 1870-71, and is attributable solely to the provision of a sum of Rupees 75,000 for taking the census in this Presidency in November 1871. The Accountant-General's estimate for 1871-72, which is already before the Government of India, includes a sum of Rupees 1,77,000 on account of contributions to Municipal Funds; but as this charge should, under the terms of the letter from the Government of India dated the 20th December 1870, No. 3964, be dealt with in the estimate of "Provincial Services," the Government have resolved upon excluding it from the estimate of general expenditure. This exclusion will reduce the proposed charge under "Miscellaneous" to Rupees 11,75,410.

36. Grant 27, *Superannuation and Retired and Compassionate Allowances*, Rupees 20,96,710, is less than the provision in the current year, and the Accountant-General has explained the cause of the variations under the minor heads.

37. The modifications indicated in paragraphs 22, 25, 28, 30, and 35 will reduce the aggregate Civil Charges for 1871-72 to Rupees 209,62,689.

38. Copies of the orders passed by this Government on the Budget Estimate of each department are submitted with this letter.

I have the honour to be,
Sir,
Your most obedient servant,

Fort Saint George,
7th February 1871.

Chief Secretary.

Exd. J. Wright.

1871.

FINANCIAL DEPARTMENT.

From

The Chief Secretary to Government,
Fort Saint George,

To

The Secretary to the Govt. of India,
Financial Department.

Dated 7th Feb. 1871.

Recd. No. 60

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desptd 8/2 with the civil Budget & explanations &c as per annexed List.

Financial Department.

No. 60.

To

The Secretary to the Government
of India.
Financial Department.

Sir,

I am instructed by the Governor in Council to submit for the sanction of the Governor General in Council the Civil Budget of this Presidency for the year 1871-72, excluding therefrom the several departments noted in the margin, which have, under the Resolution of the Govt. of India dated the 14 Decr. 1870, No. 3334, been transferred to "Provincial Services."

Jails.
Police.
Registration.
Education.
Medical Services,
excluding Medical Estt. and Printing.

N.

2. The "Revenues and Receipts" for 1871-72 are estimated at Rs. 7,95,71,270, and exceed the estimate for 1870-71 by Rs. 25,94,770, and the regular estimate for the

See notes papers

the current year by Rs 3,20,370. The excess is chiefly under Land Revenue, Salt, Law and Justice and Miscellaneous.

3. The expenditure is estimated at Rs 211,59,337. The grant for the current year is Rs 204,08,801, and the regular estimate has been calculated fixed by the Accountant General at Rs 199,61,727. The excess of Rs 7,50,536 over the grant for the current year arises entirely solely from the inclusion in the Budget of a sum of Rs 5,94,118 on account of "Process Service," and ~~to~~ from an addition of Rs 1,53,041 for Official postage and Service Stamps, under the heads of "Law and Justice" and "Land Revenue."

Calculated

Pol: omit the word "solely" as two items of increase are referred to.
AJA

entirely

Receipts.

4. I. "Land Revenue" Rs 435,50,000. This Govt. have fixed the Estimate

at

at Rs 435,00,000 to which the Accountant General has added a sum of Rupees 50,000 for the commutation of Collections in the Island of Seringapatam. The estimate exceeds the current years estimate by Rs 10,88,000. The actual collections during the last seven months of each of the three years 1864-65, 1865-66 and 1866-67 averaged about 317 lacs. The average collections for the corresponding period of the following three years 1867-68, 1868-69 and 1869-70 exceeded 254 lacs. Assuming then the collection of the last seven months of 1870-71 to be equal only to the average of the latter series, the actual revenue of the year will in all probability exceed 435 lacs; there is, therefore, every reason to hope that the income in 1871-72 will not be less than the amount estimated for.

6. II. "Tributes and Contributions" Rupees 34,46,000. This amount is the same as the estimate and Regular estimate for 1870-71.

7. III. "Forest" Rs 4,95,000. This sum exceeds the estimate for 1870-71 by Rupees 45,000, and the Regular Estimate by Rs 10,000. The actuals in 1869-70 amounted to Rs 4,95,789, and exceeded the estimate for that year by Rs 31,789, owing to extensive sales of Teak wood, Sandal-wood &ca and a larger income from seigniorage. Anticipating similar results in the current and future years, the Govt. have fixed the estimate for 1871-72 at Rs 4,95,000 which the Govt. of India have

have in their Resolution in the P. W. Deptt. dated the 14 Decr. 1870, No 765 F. sanctioned.

8. IV. "Excise on Spirits and Drugs" Rupees 58,00,000. This exceeds the estimate for 1870-71 by Rs 1,00,000. The Accountant General has raised the regular estimate for that year to Rs 60,00,000 consequent on an increase in the receipts, of 2 3/4 lacs of Rupees, during the first eight months of the year. But making allowance for failures of Contractors the Govt. think that the Estimate of Rs 58,00,000 submitted by the Board of Revenue is a safer one to adopt, than any estimate based on the actuals of eight months of the current year.

× Rs 57,00,000

Assessed

15

9. V. Assessed Taxes. Rs 25,00,000. The regular estimate is fixed at the same amount. It is Rs 1,05,000 less than the estimate× fixed by the Govt of India for the current year. The estimate for 1871-72 however is entirely dependent on the action which the Imperial Legislature may take in respect to the rate of Income tax during the next financial year. ∠

× Rs 2,6,05,000

[illegible] added
"The G. in C. trusts that if the tax is to be retained the rate will be considerably reduced and that ~~the~~ the tax× will not be applied to incomes not exceeding Rs 1000 per annum."

10. VI. Customs. Rs 27,75,000. The actuals for 1869-70 amounted to 27,64,849, and the estimate for the current year is Rs 27,22,000 The actual receipts for the first eight months of 1870-71, however, exhibit an increase of of upwards of a lac and half of Rupees, as compared with the corresponding period of last year, and as the depression of trade resulting from the war in Europe is not likely to be continuous, the Govt have adopted the Estimate of Rs. 27,75000-

11. VIII Salt. Rupees 133,00,000- There is an increase of three lacs in this item as compared with the Estimate and Regular Estimate for ~~1871-72~~ 1870-71. The extension of the North-west Railway, will, it is expected, largely augment the sales in the Chingleput Dist (Madras Stores) and the estimated revenue for 1871-72 is likely to be realized to the full extent×

× if the expenditure necessary for placing the works and their approaches in proper order is provided for as proposed under the head of Changes-

12. IX. Stamps, Rs 18,50,000- This is Rs 50,000 in excess of the regular Estimate, and Rs 4,37,500 above the Estimate for 1870-71.

Imm

13. X. Mint Rs 10,000. Is the same as the Estimate and regular Estimate for 1870-71.

14. XIII. Law & Justice. Rs 3,153,670. This Estimate exhibits an increase of Rs 5,68,970, and exceeds the Estimate and regular Estimate for 1870-71 by Rs 1,31,670 and Rs 4,18,970. The increase is expected to be realized from "Process Service Fees".

15. XV Marine. Rupees 25,000. The regular Estimate for 1870-71 has been raised by the Accountant General, but as shown in his "Explanation of variations", the exp receipts in 1870-71, are due to an extraordinary receipt by the sale of Stores and materials belonging to the Steam Tug at Paumben.

x Rs 50,000

Interest.

16. XVII. Interest; Rs 1,64,400. and

XVIII. Miscellaneous. Rs 25,00,200. Under both heads there is an increase in the Estimate for 1871-72 as compared with the estimate and regular estimate for 1870-71. The Accountant General has explained the cause of increase in the items included under each head.

Charges.

17. Grant 2. Interest Rs 9,57,780. This provision exceeds the average of the actuals for 1867-68, 1868-69 and 1869-70 by Rs 1,24,400, and the estimate and Regular estimate for 1870-71 by Rs 1,57,180 and Rs 1,68,920 respectively and is due mainly to an anticipated increase under "Civil Service Annuity Fund" of Rs 1,83,480 on

account of arrears of interest.

18. Grant 3. "Refunds and Drawbacks" Rs 2,39,000. The estimate falls short of the grant and regular estimate for the current year by Rs 71,000 and the Actuals[×] for 1869-70 by Rs 75,390. It is difficult to estimate the demand under this head accurately and as no extraordinary payments, as in 1869-70 and 1870-71, are anticipated in 1871-72, the estimate submitted by the Board of Revenue has been adopted.

× Rs 3,14,390.

19. Grant 4. "Land Revenue" Rs 44,95,600. The charge for 1871-72, exceeds the grant[×] for the Current year, as well as the Regular estimate[×] by Rs 2,21,380 and Rs 94,140 respectively, owing to the inclusion, for the first time, of a sum of Rs 25,000 for the service of Revenue processes, to the addition of Rs 1,04,497 + Rs 18,000 for "Official postage" and "Service Stamps" respectively and to minor increases in other items. The Govt do not deem it expedient to make any reduction, as they did in the Estimate for the Current year, on account of probable Savings in Sanctioned Salaries,[×] as the grant[×] for 1870-71, is likely to be insufficient. The Copies of the Proceedings of this Govt noted in the margin contain a full review of the several items included under the general heads of "Land Revenue" viz:-

× Rs 4274,220

Rs 4401460

Reg Est	Rs	44,01,460
Grant	"	42,74,220
Excess	"	1,27,240

15th Decr 2039.
16 " 2044.
21 " 2089.
21 " 2090.

× I suppose this statement which emanates from the Accountant General must be accepted ~~correct~~ but I confess I do not understand it. [illegible] in [illegible] [illegible] to me [illegible] with reference to the actual charges of past years [illegible] in [illegible] [illegible] of [illegible]

Collector's Establishments &c.
Revenue Survey.
Land Settlement Charges.
Inam Commission.

20. Grant 5. "Forest" Rs 3,87,000. In their Resolution

7 215

Resolution in the P.W. Depart^t dated the 14 Dec^r /70 No 765 F. the Gov^t of India have reviewed the Forest Budget Estimate of this Presidency and have passed the proposed charge of Rs 387,000 for 1871-72, which falls short of the anticipated receipts by Rs 108,000.

21. Grant 6. "Excise on Spirits and Drugs" Rupees 300,000. The current year's grant of Rs 227,000 is expected to fall short of the actual requirements by Rs 73,000. The estimate for 1871-72 has been fixed therefore at Rs 300,000. It provides, not only for the sum of Rupees 73,000, but also for all liabilities of the year being paid within the year, instead of payment being deferred, as has been the case hitherto for

want

want of funds, until the ensuing year. The excess of Rs 24,000 over the grant of 1870-71 will be more than covered by the increase anticipated from "Excise on Spirits and Drugs" in 1871-72.

22. Grant 7. "Assessed Taxes". Rs 47,000. The grant for the current year, viz. Rs 25,000, having proved insufficient for the efficient working of the Income Tax Act, the Gov^t of India were requested^x to sanction the transfer of a sum of Rs 10,400 from "Land Revenue" to "Assessed Taxes". In their Resolution dated the 21st ultimo, No 4218, however they allowed the expenditure under Assessed Taxes to proceed without reference to Budget limits. The

Estimated Charge

Division of the Collectorate was abolished as a separate Collectorate be ought count as a saving of the grant under the head

of Collector with Dy Collr	90000
Survey & Settlement	100000
Inam Commission	16000
Salt	50000
Law & Justice	100000
Total Rs	356000

I think that there [illegible] has not distinguished [illegible] the "Grant" by the Supt [illegible] & the Estimated [illegible] Esti[illegible] the [illegible] later savings [illegible] [illegible] forfeited the Grant [illegible] Rs 1,020 [illegible]

x It was supposed that the operations of this Dept would be completed in the current official year

x Letter to Secy to Govt Financial Dept dated 7th Dec 1870 No 1964.

estimated charge for 1871-72 exceeds the current year's grant by Rs. 22,000. The excess is necessary to defray the cost of Establishments both at the Presidency and in the Provinces.

23. Grant 8. "Customs" Rs. 181,400. The grant for 1870-71 amounts to Rupees 173,900, and the Regular estimate has been fixed at Rs. 172,090 by the Accountant General. The excess over the grant is Rs. 7,500. It is occasioned by an addition of Rs. 10,000 for "Petty Construction and Repairs," but as the Board of Revenue have not explained the necessity for the so large an outlay in 1871-72, the Govt. have decided on omitting the sum of Rs. 10,000 from the Budget, and reducing the charge under Customs

Surely best to ascertain by [illegible] They are only half a mile off.

They have had ample time to explain since the G.O. reached them but have not done so. [illegible]

Perhaps better say "the".

Mr. [illegible] has sent but an explanation and apparently the Bd. are about to submit one, on [illegible] necessary a recommended additional grant can be made

x Rs. 172,090.

x the Govt. At present the "Actual" + "Regular Estt." both scarcely warrant a larger Budget provision. They are Rs. 159 + Rs. 606 agst. a grant for this year of Rs. 3000. It is the amount [illegible] retained for next year.

LH

Customs to Rupees 171,400 or Rupees 690 less than the Regular Estimate for 1870-71.

24. Grant 9. Salt. Rupees 1700,000. Exceeds the grant for 1870-71 by Rupees 200,000, and the Regular Estimate by Rupees 203,100. The increase is mainly due to the following items.

	70-71 Grant.	70-71 Regr. Esti.	71-72 Estimate.
Petty Construction and Repairs.	Rs. 92,000	92,000	100,000
Do. Works for manufacture &c. of Salt	Rs. "	30,000	70,000
Purchase of Salt and Manufacturers Share	Rs. 10,08,000	978,000	11,00,000
	11,00,000	11,00,000	12,70,000

As regards the first two items it must be pointed out that the entry in the Column of "Actuals 8 months" affords no guide whatever for testing the accuracy of the Estimate, inasmuch as the actual bulk of the expenditure is incurred only in the last 3 or 4 months of the Financial year, after the ceſsation of the rains. The total expenditure in the last 3 years on this account is noted below.

1867.68. Rs 125,819
68.69. Rs 181,570
69-70. Rs 86300.

It is the inadequacy of the expenditure in the last series, and of the provision for the purpose in the current year which renders neceſsary the increased charge proposed for 1871-72, for as will readily be understood the situation of the works on sandy low tracts renders them extremely exceſsively liable to damage from seasons and floods, & inability from want of funds to maintain them in proper repair inevitably entails ultimately larger expenditure than would otherwise be needed to restore them to that state of efficiency on which manufacture and sales, and therefore revenue, are absolutely dependent. It is believed that the grant sought will not more than suffice to put the works and their approaches in that condition which is eſsential to the maintenance of revenue.

The provision proposed for the "Purchase of Salt and Manufacturers share" is a very moderate estimate of the amount neceſsary to allow of the stores being replenished to the extent which ×it has been deliberately decided

× or, "Experience has shown the"

decided is necessary to guard against possible disaster - viz 18 months Stock. The reduced grants of the last two years have necessarily limited manufacture while sales have been extending, and the result is that Stocks have fallen so low that special efforts are absolutely necessary for replenishing them. If it should be found possible to secure the Stock which is desired, the charges would probably aggregate Rupees 14,45,000 while a total grant of only Rupees 12,45,000 is sought for this Service -

Grant-

25. Grant 11. Stamps Rs 99,290. This is less than the Regular Estimate for the Current year by Rs 6,400 while it exceeds the grant by Rs 9,484, larger provision having been made to meet the commission payable to vendors on increased sales.

26. Grant 12. Mint. Rupees 32,000. This charge is less than the grant for 1870-71 by Rs 9,136, consequent on the amalgamation of the Assay Office and Bullion Depôt. But as the Govt of India have been informed in my letter dated the 11th instant No 19. that this Govt saw no difficulty in assigning the duty of Assaying coin or bullion to the Chemical Examiner in addition to his ordinary duties, they are of opinion

that the charge of Rs. 18,000 for "Assay Master" may be removed from the Estimate and the assignment for 1871-72 reduced to Rs. 14,000

27. Grant 15. Administration, Rs. 13,1875ʰ. There is a decrease under this head of Rs. 31,003 as compared with the grant for 1870-71. The cause of decrease under each item is sufficiently explained by the Accountant General, in his Statement of Variations.

28. Grant 16. Minor Departments, Rs. 1,60,540. The increase under this head of Rs. 4210 over the grant for 1870-71 is due to the inclusion of a sum of Rupees 2,200 on account of Official Postage under "Examinations," and to the addition, under Public Observatory of the salary of

Has it been provided for Stamping in the Red Budget?

Yes — [illegible] from 15 of G.O. Rev. Dept. of 21 [illegible] 2087

× Rs. 13,49,759

Order of the Govt. of India, Financial Deptt. dated 27th July 1870, No. 2310.

of Assistant Astronomer, Rs. 1,800 whose appointment was sanctioned by the Secy. of State in his Despatch dated the 16 June 1870 No. 66 Public.

29. Grant 17. Law and Justice, Rs. 39,26,200. The grant under this head for 1870-71 is Rs. 32,93,676, and the Regular Estimate has been fixed by the Accountant General at Rs. 34,10,620. The excess of Rs. 6,32,524, is occasioned ~~—~~ by the provision of a sum of Rupees 5,66,968 for Process Service Establishments, and by an increase of Rs. 85,112 under "Criminal Courts" in consequence of the reduction carried out in the Budget Estimate for 1870-71 × not having, for the reasons assigned in paragraph 19 of this letter, been made in the

In what Budget? Ordinary or Regular?

Reply. In the Ordinary. In writing about the Budgets it is usual to distinguish them as "Budget Estd." & "Regular Estd."

× on account of probable savings under Salaries of Collectors & Magistrates & their Establishments which are debited to "Land Revenue" and "Law and Justice. Criminal Courts".

the Budget for the ensuing year. The enclosed copies of the Pro: of this Govt. contain the review of the Estimates under Law and Justice.

7th Septr/70 No 1198
7th Octr " No 1296
22d Novr " No 1525.
5 Decr " No 1582.

It will be necessary to provide under this head a sum of Rs 11,352 on account of the Establishment of an Additional Principal Sudr Ameen's Court at Tanjore, sanction for which was solicited in my letter to the Govt. of India, Home Departt. dated the 28th Decr./70 No 1679. The addition it will be seen from the Accountant General's Statement of Variations, can be met from the saving of Rs 6,000 and Rs 6,678, shown under "Principal Sudr Ameens" and "Establishments."

30. Grant 19. Marine Rs 73,310. The estimate is less than the grant for 1870-71 by Rs 470. The Pros: of this Govt. No and date as per margin, contain the review of the Estimate submitted by the Master Attendant Madras. The Estimate has, in the usual course, been submitted to the Govt. of India in the Military Departt.

[illegible] Octr/70 No 295
[illegible] Novr/70 No 333.

31. Grant 20. Ecclesiastical. Rs 4,04,244. This is less than the grant for 1870-71 by Rs 12,999, and exceeds the Regular estimate by Rs 39,189. The Estimate includes an item of Rs 5,000 for Rewards to Chaplains which the Govt. are of opinion may be safely reduced to Rs 2,000 and the charge for 1871-72 fixed at Rs 4,01,244. The remarks of this Govt. on the Estimate of the "Church of Scotland

are embodied in their Pros: dated the 6th Decr/70 No. 194 - Copy of which is enclosed. It will be seen from these Pros: and from my letter to the Govt. of India in the Home Departt. dated the 13th Decr/70 No. 198, that it has been proposed to abolish the appointment of Junior Chaplain attached to the Church of Scotland and that his salary and house rent, amounting to Rs. 6,900 have been omitted from the Budget Estimate. Should however the reduction not be sanctioned, it will be necessary to include the amount in the Estimate for 1871-72. and in any case provision will be necessary for the full amount of actual ~~[illegible]~~ incumbents (being one more than are included in the Budget) but one of them is on leave until the reduction is actually effected. This item of charge could however no doubt be met from ordinary savings out of the total grant.

(Copy enclosed)

Is there a vacancy?

No. but the Senior Chaplain is on leave. I have made an addition to the draft.
W.H.

32. Grant 22. Medical Services - Rs. 379,677. The Estimate is less than the grant for the current year by Rs. 15773, while it exceeds the Regular estimate by Rs. 16,927 - The Estimate submitted by the Inspr. Genl. Indian Medical Departt. has been carefully reviewed by this Govt. in their Pros. No. and date as per margin, copies of which are enclosed, and the charge for 1871-72 has been reduced to what is absolutely necessary.

27 Octr/70 No. 1382.
20 Decr/70 No. 1659.

33. Grant 23. Stationery Rs. 105,340. This is less than the grant and regular estimate for 1870-71 by Rupees 1487 and Rs. 1000. The Pros: of this Govt. dated the 13th Octr. 1870 No. 1286, contain the review of the detailed Estimate submitted by Superintendent of Stationery.

(Copy enclosed)

34. Grant 24. Political Agencies. Rs. 104,810. The increase under this head of Rs. 4,260, as compared

with the grant for 1870-71, is due to an increase of Rs. 2871 in the salary of the Residency Surgeon at Travancore, and of Rs. 1187 for the travelling charges of the Resident and his Establishment, and of Rs. 1109 on account of charges incurred for State prisoners, under surveillance.

35. Grant 25. Allowances and Assignments under Treaties and Engagements, Rs. 27,98,270. There is a decrease under this head of Rs. 1,99,430 and Rs. 13,640, as compared with the grant and regular estimate respectively for 1870-71. The Accountant General has explained the cause of decrease under each item.

36. Grant 26. Miscellaneous, Rs. 13,53,410, exhibits an increase of Rs. 58,710, over the grant of 1870-71, and is attributable solely to the provision of a sum of Rs. 75,000 for the taking of the Census in this Presidency in Nov. 1871. The Acct: Genl's Estimate for 1871-72 wh. is already before the Govt. of India includes a sum of Rs. 1,77,000 on account of Contributions to Municipal Funds, but as this charge should, under the terms of the letter from the Govt. of India dated the 20th Dec. 1870 No. 3964, be dealt with in the Estimate of "Provincial Services", the Govt. have resolved upon excluding it from the Estimate of General Expenditure. This exclusion will reduce the proposed charge under Miscellaneous to Rs. 11,75,410.

37. Grant 27. Superannuation and Retired and Compassionate Allowances, Rs. 20,96,710, is less than the provision in the current

We struck it out
would it not be
better merely to say
we have made no
such provision
or [illegible] on
[illegible] with the
Budget of 1870/1

I have made an
addn. to with show
that this item is provided
in the Acct Genl's Estimate
wh. is already before
Govt. of India.

current year, and the Accountant General has explained the cause of the variations under the minor heads. x+

38. The Estimate submitted by the Accountant General, modified, as indicated in paragraphs 23, 26, 29, 31, and 36, will reduce the aggregate charge for 1871-72 from Rupees 211,59,337 to Rs 209,62,689.

39. Copies of the orders passed by this Government on the Budget Estimate of each department are submitted with this letter.-

Fort St. George }
7 February 1871 }

50 copies

Copy to Rev Depart. } 11
" Acct Genl } desp 9/2

I would say
"The modifications indicated in paras 23, 26, 29, 31 & 36 will reduce the aggregate civil charges for 1871/72 (as estimated by the Accountant General from Rs 211,59,337) to Rs 209,62,689.

I would omit ( ) as the [illegible] of London have lately declared that the Budget is our work not his – I would also [illegible] the [illegible] strongly any public education

JDS

List of papers sent with Financial letter No. 60 dated 7th February 1871.

Civil Budget & Explanation of Variations in the Budget.

Proceedings of Government Revenue Deptt. dated 24th Novr. 1870 No. 1861.
Do. 21st Decr. " No. 2089.
Do. 16th " No. 2044.
Do. 15th " No. 2039.
Do. 21st " No. 2090.
Do. 12th Octr. 1870 No. 1554.
Do. 6th Decr. 1870 No. 1946.
Do. 4th Jany. 1871 No. 8.
Do. 6th " No. 5.
Proceedings of Government Financial Deptt. dated 28th Octr. 1870 No. 440.
Do. 19th " No. 432.
Do. 8th Decr. 1870 No. 494.
Do. 25th Novr. 1870 No. 474.
Do. 7th " No. 447.
Do. Public Deptt. dated 25th Octr. 1870 No. 1365.
Do. 20th Decr. 1870 No. 1658.
Do. 7th Octr. " No. 1246.
Do. 15th " No. 1299.
Do. 20th Decr. 1870 No. 1660.
Do. 5th Novr. 1870 No. 1431
Do. 25th Octr. " No. 1361.
Do. 25 " No. 1357.
Do. 12th " No. 1274.
Do. 13th " No. 1285.

Proceedings of Government Public Dept. dated 21st Decr. 1870 No. 1666.
——— Do ——— 20th ,, ——— No. 1662.
——— Do ——— Judicial Dept. do. 7th Septr. 1870 No. 1198.
——— Do ——— 7th Octr. 1870 No. 1296.
——— Do ——— 22nd Novr. 1870 No. 1525.
——— Do ——— 5th Decr. ,, No. 1582.
——— Do ——— 28th ,, No. 1679/1677.
——— Do ——— 19th Octr. 1870 No. 1362.
——— Do ——— Marine Dept. dated 24th ,, No. 295.
——— Do ——— 25th Novr. 1870 No. 333.
——— Do ——— Ecclesiastical Dept. dated 6th Decr. ,, No. 194.
Letter to Government of India Est. Dept. 13th ,, No. 198.
Proceedings of Government Public Dept. dated 27th Octr. ,, No. 1382.
——— Do ——— 20th Decr. ,, No. 1659.
——— Do ——— 13th Octr. ,, No. 1286.
——— Do ——— Political Dept. dated 15th Septr. ,, No. 288.
——— Do ——— 25th Octr. ,, No. 338.
——— Do ——— 19th ,, No. 328.
——— Do ——— 26th Septr. ,, No. 307.
——— Do ——— 25th Octr. ,, No. 339.

Statements of Stores indented for from England during 1871/72 by the undermentioned Officers.

2, Statements from the Master Attendant Madras
1 ——— Do ——— from the Government Astronomer Madras
2 ——— Do ——— from the Inspector Genl. Indn. Medical Dept.
1 ——— Do ——— from the Inspector General of Ordnance & Magazines with appendix

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Memorandum.

Referring to the Minutes of the Honorable A. J. Arbuthnot and the Honorable J. D. Sim on the Budget Estimate for 1871-72, the Chief Secretary, the Revenue Secretary and the Accountant General met last evening and discussed the manner in which savings to the extent of the sum of Rs. 1,80,000 referred to by Mr. Arbuthnot, can be effected; and they have arrived at the conclusion that, Rs. 1,77,000 on account of contribution to Municipalities should under the terms of para. 4 of the letter from the Govt. of India dated the 20 Decr. /70 No. 3964, be removed from the Imperial Estimate.

That Rs. 10,000 may be reduced from the grant assigned under "Customs for petty construction & repair".

That Rs. 18,000 may be reduced from the grant under "Mint", the abolition of the Assay Office having been recommended to the Govt. of India. and,

That Rs. 3,000 may be deducted from "Rewards to Chaplains".

2. The total reduction will be Rs. 2,08,000, or

Rs.

Rs. 28,000 in excess of the amount (Rs. 1,80,000) specified by the Hon'ble Mr. Arbuthnot.

3. With reference to Mr. Arbuthnot's notes on the "Explanation of Variations in the Budget Estimate," the Accountant General was of opinion that the Interest on Education Funds could not be transferred to "Local Funds", as the Capital of the Educational Building Fund was invested in Govt. Securities, and the interest thereon was a charge properly debitable to Imperial Expenditure.

4. The Accountant General # agreed to adjust the excess of

Rs. 3,000 under "Legislative Council" by debiting "Secretariat Public Department" with Mr. Fernandez' salary as Assistant.

5. The reduction of Rs. 3,920 under "Meteorological Department", suggested by Mr. Arbuthnot was not considered advisable as the number of Stations which it was deemed essential to open would be established in 1871-72.

6. The Accountant General was of opinion that the cost of the Establishment of a new Principal Sudr Ameen's Court at Tanjore, for which the sanction of the Govt. of India has been requested, could not be included in the Budget until the receipt of the sanction sought for.

7. The reduction of Official postage under "Law & Justice" could not be made, as the entry in the Budget was regulated by accounts furnished by the Compiler of Post Office Accounts.

8. The grant for rewards to Chaplains it was thought, might be reduced to Rs. 2,000 - no disbursement having been made during the first 8 months of this year, and the regular Estimate having been fixed at that amount.

45

I have gone over the Budget and
earnestly deprecate any further
reduction. The Budget has already
been reviewed in detail and every
practicable economy has been en-
forced. It is of the utmost im-
portance that Budgets of Revenue
& Expenditure should be safe. to
lead the Supreme Govt. to believe that
we shall realise more or [illegible] spend
less than we can with reasonable cer-
tainty expect is only to lead them
into error & financial embarrass-
ment and to debar us from
all improvement of our adminis-
tration.

The total increase in our Budget
for 1871/2 over the Regular Budget
of 1870/1 is Rs 11.97610 - From this
however we must deduct Rs 162920

on account of Grant No. 2. "Interest on Service Funds &c" — which are beyond our control. — Rs. 451,600 on account of the new item "Persian Service": Rs 100.000 for "Loss on transactions with London" which we cannot control. — Rs 12 000 for European Vagrancy & Rs 75.000 for the Census Rs 24.000 for an Abkary debt of the year besides sundry other small items — The deductions above specified reduce the increase to Rs ~~396.090~~ 352.090. which is truly an extremely moderate margin for unforeseen contingencies — Of this increase 200,000 is on account of Salt. If we curtail this we must reduce also the Estimated increase of 300.000 in the Salt Revenue. For if we do not make the more salt we clearly cannot sell it — Experience has shown what our minimum

Stock should be — and considering risks of season — Extension of Railways &c we cannot prudently limit the manufacture.

In the Revenue Dept. the net increase is but 94 000 Rs — and a glance at the items shows that no reduction is possible.

In Inland Postage — the increase after deducting Persian Service is small.

I am therefore decidedly against any reductions.

I would remark that the Regular Estimate is necessarily smaller but it is an Estimate for 4 months only — while the Budget is an Estimate for 12 — & must provide for contingencies. The Regular Est.

the revenue is itself often wrong; as these figures stand —

L. d. S.

As this Budget Estimate is not accompanied by the usual draft letter or by the proceedings of Government reviewing and passing orders on the several departmental estimates, it is difficult to say what further alterations can be made before submitting it to the Govt. of India but with reference to the correspondence which took place in September last I am clearly of opinion that the excess of upwards three lakhs and a half in the estimate of charges over the estimate for the current year should be reduced and that the amount should be brought down as near as possible to that sanctioned for the current year, after allowing for a new item which appears for the first time both on the receipt side and on the expenditure side of the Imperial Budget. The item to which I refer is the service of processes which has hitherto been treated as a Local fund charge. It amounts, as shown in the explanation of variations, to Rs 5,69,118. ~~[illegible]~~ which sum is the aggregate of three sums entered under the head of Law and Justice, amounting respectively to Rs 2150 Rs 515368 & Rs 51600. Striking out this item there remains an excess of in round numbers ~~[illegible] might~~ of Rs 180000 which I think might be met for the most part by reductions under the heads of Land Revenue & Salt or perhaps Law & Justice. I have little doubt that if the Chief Secretary the Revenue Secretary

and the Accountant General go over the Budget together they will be able to effect a reduction to this extent. I have made a few remarks in pencil on the explanation of variations to which I invite attention.

If the necessary reduction cannot be made on individual items it might be effected by entering at the end of the estimate under each of the heads referred to a deduction on account of savings.

R. T.

14th Jany /71

I agree with Mr. Arbuthnot that the Budget Estimate of the year 1871-72 should not exceed the Budget Estimates of the current year in reference to Expenditure making allowance for the new Items indicated by Mr Arbuthnot.

The Chief Secretary, the Revenue Secretary - the accountant general might devise the means of effecting the reductions requisite to attain the desired result. N

Civil Budget
for 1871-72

18 . *Department.*

No.

To
The Secretary to the
Government of
Department

Dated 187

[illegible]

1871.

Financial DEPARTMENT.

From
The Chief Secretary to Government,
Fort Saint George,

To
The Secretary to the Govt. of India,
Financial Department.

Dated Feby. 7 1871.
Recd. (7

No. 60.
Enclosure.

F. A. 179

Nos. 8

Submitting for sanction the Civil Budget of this Presy. for 1871-72.