

Financial (1895) Department.

ORDINARY PRINTED.

G.O., No. 447.

DATED 11th June 1895.

INDEXED. 10/11

[Despatch Abstract.]

FINANCE AND REVENUE ACCOUNTS.-

BACK PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.

FURTHER PAPERS.

G.O.	No.	Department.	Date.	G.O.	No.	Department.	Date.
	1023		96				

Govt. of {1895} Madras.
FINANCIAL.

Issued

Encl.

Recd.

G.O., 11th June 1895, No. 447.

JUNE.

Finance and Revenue Accounts.

Recording Resolution of the Government of
India reviewing the Appropriation Report on
the — for 1893-94.

11TH JUNE 1895, No. 447, FINANCIAL.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—again the following paper :—

G.O., dated 15th February 1895, No. 154, Financial.

ABSTRACT.—Recording resolution of the Government of India ordering submission by the Accountants-General and Comptrollers to the Local Governments and Administrations concerned of a copy of the local Appropriation Report, together with the annual consolidated statement of excesses over the budget grants.

READ—also the following paper :—

Resolution of the Government of India, Finance and Commerce Department (Accounts and Finance—Estimates and Accounts), dated Simla, the 24th May 1895, No. 2472-A.

Read—

The Finance and Revenue Accounts for 1893-94 and the Comptroller and Auditor General's Appropriation Report on these accounts.

Resolution.—The Appropriation Report of the Comptroller and Auditor General, published in the *Gazette of India* of the 16th March 1895, compares in minute detail the figures of the accounts of 1893-94 with those of the previous year and with those of the budget estimates. In the present Resolution only points of special interest arising from the comparisons will be noticed.

2. In Resolution, No. 553-A., dated 31st January 1895, it was directed that the applications for the issue of any orders which are required from the Government of India to enable Account Officers to charge off on their books expenditure in excess of budget grants should be submitted for orders at the same time as the annual Appropriation Reports, excesses over grants being explained by references to the relevant paragraphs of those reports. It has been decided in future to include in the present annual Resolution the orders on such applications in all cases where the nature of the orders would not involve the mention of details to an extent unsuitable for this Resolution. This procedure, however, is not fully adopted, in this Resolution, in regard to the year 1893-94, because orders on all of the applications for that year, except that relating to Army Expenditure, have already been issued, and the excesses over grants under the head "Army" are accordingly the only ones which are sanctioned in this Resolution.

3. The following table compares the leading figures in the accounts for the year 1893-94 with the estimates of that year and with the accounts of the preceding year:—

	1892-93, Accounts.	1893-94.			Accounts 1893-94 better + or worse — than Budget.
		Budget estimate.	Revised estimate.	Accounts.	
Revenue—					
India Rx.	89,819,707	89,690,000	90,121,000	90,246,041	+ 555,141
England £	2,023,333	193,500	187,700	193,154	— 46
Exchange Rx.	132,498	121,300	120,800	125,719	+ 4,419
Total .. Rx.	90,172,438	90,005,700	90,429,500	90,565,214	+ 559,514
Expenditure—					
India Rx.	65,021,394	66,572,300	66,548,400	66,311,302	+ 260,908
Provincial Adjustment Rx.	— 177,359	— 751,200	— 478,800	— 311,291	— 439,909
Net .. Rx.	64,844,035	65,821,100	66,069,600	66,000,101	— 179,001
England £	16,334,541	15,843,800	15,909,600	15,826,815	+ 16,985
Exchange Rx.	9,827,274	9,935,900	10,243,100	10,285,296	— 349,396
Total .. Rx.	91,005,850	91,600,800	92,222,300	92,112,212	— 511,412
Deficit .. Rx.	833,412	1,595,100	1,792,800	1,546,998	+ 48,102
Expenditure not charged against Revenue— Capital expenditure on Railways and Irriga- tion Works Rx.	3,986,290	3,550,000	3,643,100	3,621,252	— 71,252

4. The net result of the accounts of 1893-94 is in close agreement with the budget estimate of the year. In the total revenue in India there was an increase of Rx. 555,141, and in the total expenditure there was a saving of Rx. 260,908, notwithstanding an expenditure of Rx. 618,468 on account of exchange compensation improvement of Rx. 816,049 in India, the Imperial share amounted to Rx. 376,140; and the net sterling expenditure was less than the budget estimate by £ 16,939. On the other hand there was an increase in the net charge for exchange on sterling expenditure of Rx. 344,977, and the deficit of the budget estimate was thus reduced in the accounts by Rx. 48,102 only.

5. The important differences in the revenue in India of 1893-94 as compared with the budget estimates occur under the following heads:—

	Increase + Decrease — RX.
I.—Land Revenue (including Land Revenue due to Irriga- tion)	
II.—Opium	+ 363,725
III.—Salt	— 688,629
VI.—Provincial Rates	— 358,924
Railway Revenue Account	— 192,529
	+ 746,793

6. The variations under the heads *Land Revenue* and *Provincial Rates* occur mainly in Madras. In that Province an exceptionally favourable season increased the Land Revenue receipts, and certain receipts were also transferred to that head from Provincial Rates, as explained below. The levy of the village service cess leviable under the Village Cess Act (Act IV of 1864) was suspended for the revenue year July 1893 to June 1894, as it was found that the accumulated balance at credit of the local fund to which the receipts are credited was sufficient to meet a full year's expenditure: this caused the larger part of the decrease in Madras under *Provincial Rates*. The contribution from General Revenues to the fund was also withheld for the period mentioned. That contribution included an assignment of quit-rents on enfranchised village service inams in certain districts. The quit-rents, which are specified Land Revenue assigned to the fund, were formerly incorrectly credited in

the accounts under "Provincial Rates" instead of "Land Revenue." As the whole system of village service in Madras was reorganised by the Madras Village Cess Act of 1893 (Madras Act IV of 1893) and a gap in the comparison with past years was caused by the suspension for one year of the cess, the opportunity was taken to correct the classification with effect from 1893-94. This change in classification caused a reduction, as compared with the budget estimates, of Rx. 107,900 under "Provincial Rates" with a corresponding increase under "Land Revenue."

9. The large falling off in the Salt Revenue in 1893-94 was due to special and temporary causes, and does not indicate any appreciable reduction in the consumption of salt by the people.

11. The expenditure in India in 1893-94 may be compared with the budget estimates under the following groups:—

	Imperial.		Provincial.		Local.	
	Budget.	Accounts.	Budget.	Accounts.	Budget.	Accounts.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1. Civil Departments	3,134,500	3,176,681	9,065,300	9,138,057	1,389,600	1,361,868
2. Other Civil heads (including Post Office)	6,758,400	6,458,740	6,231,400	6,185,626	1,187,900	1,134,797
3. Railway Revenue Account	11,577,400	11,711,907	595,100	613,138	..	..
4. Other Public Works heads (including Telegraphs)	5,280,400	5,150,188	3,852,500	3,691,826	1,786,000	1,683,638
5. Army	15,693,500	15,964,836	..	..	..	..
Total ..	42,464,200	42,502,442	19,744,300	19,628,647	4,363,800	4,180,303

17. In the case of Provincial and Local expenditure, the sanction of the Government of India to excess expenditure under any head of account is not necessary as long as it is met by a reappropriation and the aggregate budget grant for Provincial and Local expenditure is not exceeded. The total Provincial and Local expenditure in 1893-94 compare as follows with the budget estimate:—

	Budget Estimate.			Accounts.		
	Provincial.	Local.	Total.	Provincial.	Local.	Total.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Madras	3,115,700	1,246,800	4,362,500	3,100,032	1,133,758	4,233,790

19. In considering the Appropriation Reports the Government of India have noticed that some of them are not as precise in their statements as was intended and as is desirable. Sometimes more than one cause contributing to an excess of expenditure over the budget grant are mentioned without any statement of the amount of the increase due to each cause. The explanation of differences from the budget estimates given in the report should be such as to give some indication of the following points, namely:—

- (1) to what extent each stated cause of excess affected the estimate;
- (2) why, at the time the estimates were prepared, the excesses were not foreseen; and
- (3) if the expenditure was avoidable, why it was incurred notwithstanding absence of provision in the estimates.

11TH JUNE 1895, No. 447, FINANCIAL.

The Comptroller and Auditor General is requested to draw the attention of the Accountants-General in Military and Public Works Departments and of the Civil Accountants-General and Comptrollers to these remarks and to issue such subsidiary instructions as he considers necessary.

Ordered—that a copy of the Resolution be communicated to all Local Governments and Administrations; . . . and to all Accountants-General . . . for information and guidance.

(Signed) J. F. FINLAY,
Secy. to the Govt. of India.

ORDER—dated 11th June 1895, No. 447, Financial.

Recorded.

(True Extract.)

Chief Secretary.

To the Revenue Department.
" Public Works Department.
" Local and Municipal Department.

Ed. A. Raitt.

No. 2472-A.

GOVERNMENT OF INDIA.

FINANCE AND COMMERCE DEPARTMENT.

ACCOUNTS AND FINANCE.
Estimates and Accounts.

RESOLUTION.

CHIEF SECRETARY
2 JUL 1895
Simla, the 24th May 1895.

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3. The following table compares the leading figures in the accounts for the year 1893-94 with the estimates of that year and with the accounts of the preceding year:—

Year 1893-94			ceding year:—					
			1892-93. Accounts.	1893-94.			Accounts 1893-94 better + or worse — than Budget.	
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5. The important differences in the revenue in India of 1893-94 as compared with the Budget Estimates occur under the following heads:—

	Increase + Decrease — Rx.
I.—Land Revenue (including Land Revenue due to Irrigation).	+363,735
II.—Opium	—688,629
III.—Salt	—358,924
VI.—Provincial Rates	—192,529
Railway Revenue Account	+746,793

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7. In spite of the progress of settlements in the Central Provinces, the yearly collections of Land Revenue have been diminishing since 1891-92. The following are the figures:—1889-90, Rx. 665,339; 1890-91, Rx. 676,166; 1891-92, Rx. 701,597; 1892-93, Rx. 695,038; 1893-94, Rs. 692,222.

The Forest Revenue in the Central Provinces has also diminished since 1891-92, as shown by the following figures:—1891-92, Rx. 135,990; 1892-93, Rx. 123,085; 1893-94, Rx. 113,448.

This special feature of the revenue receipts of the Central Provinces requires investigation, and enquiries are being made on the subject.

8. The large decrease in the Opium Revenue was caused by a decline in the prices realised for Bengal opium. The average price taken in the Budget Estimate was Rs. 1,250 a chest, while the average realised was only Rs. 1,109. The trade in opium was temporarily much affected by the Currency Legislation of 26th June 1893: at the sale which took place a few days after the passing of the Currency Act the price fell as low as Rs. 971 a chest.

9. The large falling off in the Salt Revenue in 1893-94 was due to special and temporary causes, and does not indicate any appreciable reduction in the consumption of salt by the people.

The decline was largest in Northern India, where it was due to the failure of manufacture at the Sambhar Lake. In July 1893, the stock having been reduced by the combined effect of the very large issues in 1892-93 and the failure of

manufacture to barely four months' supply, the price of Sambhar salt was raised from $2\frac{3}{4}$ annas to $5\frac{1}{2}$ annas a maund; this increase having failed to check sales adequately, the price was further raised to 8 annas a maund on the 7th September. The purchases of the two previous years having been on a large scale, there must have been large stocks on hand, and traders preferred to exhaust these rather than pay the largely enhanced prices which they knew would be reduced as soon as possible.

In Bengal and Bombay, also, dealers were induced by the prevalence of high prices to curtail their clearances of salt in 1893-94, preferring to meet the demand to a great extent from stocks and await a fall in price before fully renewing their stocks.

In Burma there was a small increase of revenue in 1893-94. This, however, was the result of a misapprehension on the part of owners of salt in bond when the question of imposing a duty on salted fish was under consideration. It was assumed that the duty on salt would be increased, and this assumption led to unusually large clearances of salt from bond in the last two weeks of February 1894. Burma is the only province where consumption of salt does not advance in proportion to the population, and the Government of India are now in correspondence with the Chief Commissioner on this subject.

10. The increase in the Railway Revenue is fully explained by the Comptroller and Auditor General, and is somewhat greater than the normal improvement in the revenue in a fairly prosperous year.

11. The expenditure in India in 1893-94 may be compared with the Budget Estimates under the following groups:—

	IMPERIAL.		PROVINCIAL.		LOCAL.	
	Budget.	Accounts.	Budget.	Accounts.	Budget.	Accounts.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1. Civil Departments ...	3,134,500	3,176,681	9,065,300	9,138,057	1,389,900	1,361,868
2. Other Civil heads (including Post Office).	6,758,400	6,468,740	6,231,400	6,185,626	1,187,900	1,134,797
3. Railway Revenue Account	11,597,400	11,741,997	595,100	613,138	...	...
4. Other Public Works heads (including Telegraphs).	5,280,100	5,150,188	3,852,500	3,691,826	1,786,000	1,683,638
5. Army	15,693,500	15,964,836	...	...	...	...
TOTAL ...	42,464,200	42,502,442	19,744,300	19,628,647	4,363,800	4,180,303

12. The only variation in the Imperial section under "Civil Departments" calling for remark is an increase of Rx. 127,850 in Political charges. This is connected with the increase in the Amir's subsidy and certain political missions on the frontier which could not be foreseen at the commencement of the year.

13. The noticeable items under "Other Civil Heads—Imperial" are (1) a saving of Rx. 379,402 in opium expenditure owing to the failure of the Bengal opium crop; (2) an increase of Rx. 143,679 under Interest on debt in consequence of payments of interest and discount on the new $3\frac{1}{2}$ per cent. loan raised in the year: when the Budget Estimate was framed, it had not been decided to issue the loan at $3\frac{1}{2}$ per cent, and no provision was made for the interest on the loan of the year because it was anticipated that if the issue was at 4 per cent. a premium would be realised sufficient to cover the new interest; (3) an increase of Rx. 40,454 in the expenditure on stationery; and (4) an increase in the expenditure under,

the head "32—Miscellaneous" of Rx. 32,232. The estimate for the head "30—Stationery and Printing" proved too low for many provinces, and an additional grant for larger purchases of stationery at Calcutta was also made in the course of the year. The increased expenditure under "Miscellaneous" was connected principally with the appointment of the Indian Hemp Drugs Commission and the Royal Commission on Opium. It has lately been decided by Her Majesty's Imperial Government that the whole of the Opium Commission expenditure should be borne by the British Government and the necessary adjustment will be made in the accounts of 1894-95.

14. The higher expenditure on "Railway Revenue Account" is due mainly to larger working expenses required to earn the increased revenue: there was also some excess in the interest charges on account of increased capital outlay.

15. The Army expenditure in India exceeded the Budget Estimate by Rx. 271,336. During the course of the year an additional grant of Rx. 122,045 was made for various petty military expeditions, for the Kashmir Transport arrangements, and other items for which sufficient provision was not made in the Budget Estimates. The grant of exchange compensation allowance caused an increase under this head of Rx. 264,620. Taking the head "Army" as a whole, the expenditure would have been within the grant had it not been for the expenditure on account of exchange compensation allowance.

16. The total allotment under the head "Army" is distributed over the 20 grant heads enumerated on page 119 of the Appropriation Report, and any excess over the allotment for each grant head requires to be explained in the Appropriation Report. The net total excess of Rx. 149,291 over the authorised grant for the major head, including the supplementary grant of Rx. 122,045 above mentioned, is made up of an increase under 8 grant heads of Rx. 313,503 and a saving under 12 grant heads of Rx. 164,212, and the excess of Rx. 313,503 requires sanction. Independently of exchange compensation allowances, the excesses to be sanctioned amount to Rx. 99,765, made up as follows:—

Grant head.	Amount of excess.			
	Rx.			
Regimental pay, etc. ...	...	...	...	82,668
Barrack establishment, etc. ...	...	...	...	6,215
Medical ...	...	...	...	488
Education ...	...	...	...	1,523
Volunteer Corps ...	...	...	...	8,871
Total	99,765			

These excesses as well as those caused by the grant of exchange compensation allowance are now sanctioned.

17. In the case of Provincial and Local expenditure, the sanction of the Government of India to excess expenditure under any head of account is not necessary as long as it is met by a reappropriation and the aggregate Budget grant for Provincial and Local expenditure is not exceeded. The total Provincial and Local expenditure in 1893-94 compare as follows with the Budget Estimate:—

	BUDGET ESTIMATE.			ACCOUNTS.		
	Provincial.	Local.	Total.	Provincial.	Local.	Total.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
India General ...	...	14,500	14,500	...	14,112	14,112
Central Provinces ...	850,400	141,800	992,200	829,899	122,040	951,939
Burma ...	2,082,600	202,500	2,285,100	2,029,621	166,347	2,195,968
Assam ...	640,900	120,400	761,300	612,346	108,880	721,225
Bengal ...	4,140,400	668,700	4,809,100	4,155,327	606,838	4,852,165
North-Western Provinces ...	3,026,100	1,077,200	4,103,300	3,083,555	1,063,057	4,146,612
Punjab ...	1,839,500	376,900	2,216,400	1,821,714	375,137	2,196,851
Madras ...	3,115,700	1,246,800	4,362,500	3,100,032	1,133,758	4,233,790
Bombay ...	4,048,700	515,000	4,563,700	3,996,153	500,125	4,496,278
TOTAL	19,744,300	4,363,800	24,108,100	19,628,647	4,180,303	23,808,950

18. The above statement shows that the only provinces where the Budget grants for the total Provincial and Local expenditure have been exceeded are Bengal and the North-Western Provinces. Orders have already issued in regard to these two excesses.

19. In considering the Appropriation Reports the Government of India have noticed that some of them are not as precise in their statements as was intended and as is desirable. Sometimes more than one cause contributing to an excess of expenditure over the Budget grant are mentioned without any statement of the amount of the increase due to each cause. The explanation of differences from the Budget Estimates given in the report should be such as to give some indication of the following points, namely:—

- (1) to what extent each stated cause of excess affected the Estimate;
- (2) why, at the time the Estimates were prepared, the excesses were not foreseen; and
- (3) if the expenditure was avoidable, why it was incurred notwithstanding absence of provision in the Estimates.

The Comptroller and Auditor General is requested to draw the attention of the Accountants General in Military and Public Works Departments and of the Civil Accountants General and Comptrollers to these remarks and to issue such subsidiary instructions as he considers necessary.

ORDERED.—That a copy of the Resolution be communicated to all Local Governments and Administrations; to the Home, Revenue and Agriculture, Foreign, Military, and Public Works Departments; to the Comptroller and Auditor General; and to all Accountants General and Comptrollers for information and guidance.

M. F. M. L. M.
Secretary to the Government of India.

154: 15.2.95. sc
3: 6.1.90 sc

CURRENT No. 1302

Financial Deptt.
GOVERNMENT OF INDIA.

FINANCE AND COMMERCE
DEPARTMENT.

ACCOUNTS AND FINANCE.
Estimates and Accounts.

RESOLUTION.

11th June 1895 No 447

Read again 80. 154 (P)
15.2.95

C. No. 1302 (A as marked)

14th
P.S.

ORDER

Record

CS
6/6/95

8/6/95

Revenue Dept 7
P. W. Dept. 11
L. & M. Dept. 6
20/6/95

No. 2472-A.

Dated Simla, the 24th May 1895.

Recd: 2.6.95

Rep: 5.6.95

Enc: 7 spec copies

Review of the Appropriation Report on the
Finance and Revenue Accounts for 1893-94.

G. C. Press, Simla, — No. 186 C. P. — 24.5.95. — 527.

WITH ORDER

Proof for approval

11TH JUNE 1895, No. 447, FINANCIAL.

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FINANCIAL DEPARTMENT.

READ—again the following paper:—

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Expenditure—									
India	Rx.	65,021,394	66,572,300	66,548,400	66,311,392	+ 260,908			
Provincial Adjustment	Rx.	— 177,359	— 751,200	— 478,800	— 311,291	— 439,909			
Net	Rx.	64,844,035	65,821,100	66,069,600	66,000,101	— 179,001			
England	£	16,334,541	15,843,800	15,909,600	15,826,815	+ 16,985			
Exchange	Rx.	9,827,274	9,935,900	10,243,100	10,285,296	— 349,396			
Total	Rx.	91,005,850	91,600,800	92,222,300	92,112,212	— 511,412			
Deficit	Rx.	833,412	1,595,100	1,792,800	1,546,998	+ 48,102			
Expenditure not charged against Revenue— Capital expenditure on Railways and Irriga- tion Works	Rx.	3,986,290	3,550,000	3,643,100	3,621,252	— 71,252			

4. The net result of the accounts of 1893-94 is in close agreement with the budget estimate of the year. In the total revenue in India there was an increase of Rx. 555,141, and in the total expenditure there was a saving of Rx. 260,908, notwithstanding an expenditure of Rx. 618,468 on account of exchange compensation allowance for which no provision was made in the budget estimate. Of this total improvement of Rx. 816,049 in India, the Imperial share amounted to Rx. 376,140; and the net sterling expenditure was less than the budget estimate by £ 16,939. On the other hand there was an increase in the net charge for exchange on sterling expenditure of Rx. 344,977, and the deficit of the budget estimate was thus reduced in the accounts by Rx. 48,102 only.

5. The important differences in the revenue in India of 1893-94 as compared with the budget estimates occur under the following heads:—

	Increase + Decrease — RX.
I.—Land Revenue (including Land Revenue due to Irriga- tion)	+ 363,735
II.—Opium	— 688,629
III.—Salt	— 358,924
VI.—Provincial Rates	— 192,529
Railway Revenue Account	+ 746,793

6. The variations under the heads *Land Revenue* and *Provincial Rates* occur mainly in Madras. In that Province an exceptionally favourable season increased the Land Revenue receipts, and certain receipts were also transferred to that head from Provincial Rates, as explained below. The levy of the village service cess leviable under the Village Cess Act (Act IV of 1864) was suspended for the revenue year July 1893 to June 1894, as it was found that the accumulated balance at credit of the local fund to which the receipts are credited was sufficient to meet a full year's expenditure: this caused the larger part of the decrease in Madras under *Provincial Rates*. The contribution from General Revenues to the fund was also withheld for the period mentioned. That contribution included an assignment of quit-rents on enfranchised village service inams in certain districts. The quit-rents, which are specified Land Revenue assigned to the fund, were formerly incorrectly credited in

the accounts under "Provincial Rates" instead of "Land Revenue." As the whole system of village service in Madras was reorganised by the Madras Village Cess Act of 1893 (Madras Act IV of 1893) and a gap in the comparison with past years was caused by the suspension for one year of the cess, the opportunity was taken to correct the classification with effect from 1893-94. This change in classification caused a reduction, as compared with the budget estimates, of Rx. 107,900 under "Provincial Rates" with a corresponding increase under "Land Revenue."

9. The large falling off in the Salt Revenue in 1893-94 was due to special and temporary causes, and does not indicate any appreciable reduction in the consumption of salt by the people.

11. The expenditure in India in 1893-94 may be compared with the budget estimates under the following groups:—

	Imperial.		Provincial,		Local.	
	Budget.	Accounts.	Budget.	Accounts.	Budget.	Accounts.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
1. Civil Departments	3,134,500	3,176,681	9,065,300	9,138,057	1,389,900	1,361,868
2. Other Civil heads (including Post (Office)	6,758,400	6,468,740	6,231,400	6,185,626	1,187,900	1,134,797
3. Railway Revenue Account	11,597,400	11,741,997	595,100	613,138	..	..
4. Other Public Works heads (including Telegraphs)	5,280,400	5,150,188	3,852,500	3,691,826	1,786,000	1,683,638
5. Army	15,693,500	15,964,836	..	..	..	..
Total	42,464,200	42,502,442	19,744,300	19,628,647	4,363,800	4,180,303

17. In the case of Provincial and Local expenditure, the sanction of the Government of India to excess expenditure under any head of account is not necessary as long as it is met by a reappropriation and the aggregate budget grant for Provincial and Local expenditure is not exceeded. The total Provincial and Local expenditure in 1893-94 compare as follows with the budget estimate:—

	Budget Estimate.			Accounts.		
	Provincial.	Local.	Total	Provincial.	Local	Total.
	Rx.	Rx.	Rx.	Rx.	Rx.	Rx.
Madras	3,115,700	1,246,800	4,362,500	3,100,032	1,133,758	4,233,790

19. In considering the Appropriation Reports the Government of India have noticed that some of them are not as precise in their statements as was intended and as is desirable. Sometimes more than one cause contributing to an excess of expenditure over the budget grant are mentioned without any statement of the amount of the increase due to each cause. The explanation of differences from the budget estimates given in the report should be such as to give some indication of the following points, namely—

- (1) to what extent each stated cause of excess affected the estimate;
- (2) why, at the time the estimates were prepared, the excesses were not foreseen; and
- (3) if the expenditure was avoidable, why it was incurred notwithstanding absence of provision in the estimates.

The Comptroller and Auditor General is requested to draw the attention of the Accountants General in Military and Public Works Departments and of the Civil Accountants General and Comptrollers to these remarks and to issue such subsidiary instructions as he considers necessary.

Ordered—that a copy of the Resolution be communicated to all Local Governments and Administrations; . . . and to all Accountants General . . . for information and guidance.

(Signed) J. F. FINLAY,
Secy. to the Govt. of India.

ORDER—dated 11th June 1895, No. 447, Financial.

Recorded.

(True Extract.)

Chief Secretary.

To the Revenue Department.

„ Public Works Department.

„ Local and Municipal Department.

Gobt. of {1895} Madras.
FINANCIAL.

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