GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

ORDER—dated 17th March 1886, No. 229, Financial.

The Government proceed to review the budget estimates for 1886-87. The review will consist of two sections: one relating to Imperial, Provincial and Local funds and services, all combined; the other relating to Provincial funds and services considered as a separate item.

(A.) IMPERIAL, PROVINCIAL AND LOCAL COMBINED.

2. INTRODUCTION.—The total receipts (*vide* Appendix A) for 1885-86 are estimated in the revised budget at Rs. 914,90,000. Of this sum Rs. 580,09,000 or 63 per cent. fall to Imperial, Rs. 243,81,000 or 27 per cent. to Provincial, and Rs. 91,00,000 or 10 per cent. to Local.

3. In the budget for 1886-87 the total receipts are estimated at Rs. 927,26,000, of which Rs. 589,32,000 or 64 per cent. appertain to Imperial, Rs. 245,63,000 or 26 per cent. to Provincial, and Rs. 92,31,000 or 10 per cent. to Local.

4. The expenditure for 1885-86 is in the revised budget estimated at a total of Rs. 423,69,000, of which Rs. 89,19,000 or 21 per cent. belong to Imperial, Rs. 240,72,000 or 57 per cent. to Provincial, and Rs. 93,78,000 or 22 per cent. to Local.

5. In the budget for 1886-87 the total expenditure is estimated at Rs. 437,54,000, of which Rs. 94,12,000 or 21 per cent. are debited to Imperial, Rs. 248,33,000 or 57 per cent. to Provincial, and Rs. 95,09,000 or 22 per cent. to Local.

6. The following abstract shows the main variations between the original and revised estimates for 1885-86, and between the revised estimate for 1885-86 and the budget estimate for 1886-87* :—

Vide Appendices A, B and C.

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 & 2	2 & 3
Receipts.	RS.	RS.	RS.	RS.	RS.
Land Revenue	476,55,000	460,79,000	467,75,000	— 15,76,000	+ 6,96,000
Salt	144,53,000	132,03,000	136,13,000	— 12,50,000	+ 4,10,000
Excise	82,25,000	87,40,000	84,80,000	+ 5,15,000	— 2,60,000
Provincial rates	64,34,000	63,03,000	64,37,000	— 1,31,000	+ 1,34,000
Customs	11,00,000	9,27,000	10,97,000	— 1,73,000	+ 1,70,000
Registration	7,00,000	8,25,000	8,25,000	+ 1,25,000	..
Other heads (each under a lakh) ..	151,96,000	154,13,000	154,99,000	+ 2,17,000	+ 86,000
Total ..	937,63,000	914,90,000	927,26,000	— 22,73,000	+ 12,36,000

* As submitted by the Accountant-General.

—	Original grants, 1885-86.	Reduced grants, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.		
	1	2	3	4	1 & 2	2 & 3	3 & 4
Expenditure.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Land Revenue	82,19,000	76,77,000	76,65,000	77,90,000	— 5,42,000	— 12,000	+ 1,25,000
Salt	17,20,000	13,70,000	16,04,000	17,63,000	— 3,50,000	— 21,000	+ 1,59,000
Excise	2,55,000	2,55,000	..	..	..	..	..
Forest	11,22,000	10,22,000	10,18,000	12,10,000	— 1,00,000	— 4,000	+ 1,92,000
Law and Justice	47,78,000	47,78,000	47,43,000	48,94,000	..	— 35,000	+ 1,51,000
Marine	1,33,000	18,000	20,000	39,000	— 1,15,000	+ 2,000	+ 19,000
Education	18,03,000	18,03,000	19,37,000	18,37,000	..	+ 1,34,000	— 1,00,000
Stationery and Printing ..	8,06,000	8,06,000	8,60,000	10,71,000	..	+ 54,000	+ 2,11,000
Famine relief	80,000	80,000	2,80,000	10,000	..	+ 2,00,000	— 2,70,000
Irrigation and Navigation ..	3,63,000	3,63,000	6,31,000	4,66,000	..	+ 2,68,000	— 1,65,000
Civil Buildings—							
Civil officers	43,92,000	43,29,000	41,75,000	44,05,000	— 63,000	— 1,54,000	+ 2,30,000
Public Works officers ..	24,30,000	21,39,000	20,21,000	26,31,000	— 2,91,000	— 1,18,000	+ 6,10,000
Exchange	21,33,000	21,33,000	16,32,000	16,32,000	..	— 5,01,000	..
Other heads (each under a lakh).	155,28,000	154,95,000	157,83,000	160,06,000	— 33,000	+ 2,88,000	+ 2,23,000
Total ..	437,62,000	422,68,000	423,69,000	437,54,000	* — 14,94,000	+ 1,01,000	+13,85,000

* Surrenders—Imperial (Salt), Rs. 3,50,000; Provincial, Rs. 11,44,000.

7. From this it appears that the receipts for 1885-86 will, according to the revised budget framed by the Accountant-General, fall short of the original estimate by Rs. 22,73,000, and that the budget estimate for 1886-87 is in excess of the revised estimate for 1885-86 by Rs. 12,36,600, but less than the original estimate for that year by Rs. 10,37,000.

8. The expenditure for 1885-86 will, according to the revised budget, be reduced by Rs. 13,93,000, as compared with the original estimate, while that for 1886-87 is estimated to exceed the expenditure of the revised budget by Rs. 13,85,000, but will differ from the estimated expenditure of the original budget for 1885-86 by a *minus* sum of Rs. 8,000 only.

9. VARIATIONS IN RECEIPTS.—These variations are explained as follows.

10. LAND REVENUE.—*A decrease of* 15¾ *lakhs in the revised, as compared with the original, budget for* 1885-86. The normal land revenue of the Presidency may be taken at about 450 lakhs. For the five years preceding the famine, the average of the current demand was Rs. 449,76,000. The average of the five years ending with 1884-85 was Rs. 450,90,000; the mean of these two averages is Rs. 450,33,000.

11. The season of 1884-85 was marked by a partial failure of the south-west monsoon and by heavy and destructive floods in the month of November in South Arcot and Tanjore. Owing to these causes, the actuals of that year amounted to only 437¾ lakhs, as against an original estimate of 450 lakhs and a revised estimate of 440. In the current year 1885-86, there was a complete failure of the early rains in several districts, notably Bellary, Anantapur, Madura, Coimbatore and Ganjam, and prospects in Bellary and Anantapur were in the early part of 1885 so gloomy, that it was deemed necessary to undertake the construction of the Hindupur-Guntakal Railway as a relief work.

12. On these considerations, the Board of Revenue thought that it would not be prudent to estimate the current demand for 1885-86 at a higher figure than 445 lakhs.

13. A tabular statement of the rainfall in each month of the south-west and north-east monsoons in 1884-85 and 1885-86 and of the average rainfall for the corresponding periods for ten years ending 1883-84 (excluding the famine years 1876-77 and 1877-78) is given below :—

Months.	1884-85.		1885-86.		Average of 10 non-famine years.	
South-west Monsoon.						
April	·62		·25		·95	
May	1·43		1·79		3·11	
June	3·74	22·92	7·38	25·13	5·36	27·58
July	5·06		6·44		6·39	
August	6·70		4·65		6·40	
September	5·37		4·62		5·37	
North-east Monsoon.						
October	9·34		7·03		7·52	
November	9·42		6·56		6·07	
December	5·13	24·55	4·35	18·31	2·22	16·79
January	·04		·30		·32	
February	·13		·07		·18	
March	·49				·48	

14. At the beginning of 1885-86, there were 62½ lakhs of outstandings. Of this amount, Rs. 1,60,000 had, when the Board's revised budget was submitted, been already written off, while Rs. 57,000 had been recommended for remission and Rs. 54,000 were reported to be irrecoverable. This reduced the outstandings to some 60 lakhs, but allowing for the amount that might have to be remitted in Tanjore in consequence of the floods of November 1884 and for a fair margin for amounts that might eventually have to be written off as irrecoverable,* the Board did not estimate the recoveries under this head as likely to exceed 50 lakhs during the year.

* The write-off on account of outstandings was, on the average of the three years ending 1884-85, Rs. 13,30,000. The amount in 1882-83 was Rs. 24,07,902, chiefly on account of famine adjustments.

15. The estimated demand for the current year was thus brought up to 495 lakhs, but on the foregoing considerations, the Board of Revenue thought it unlikely that a higher rate of collection would be attained in the current year than in the last, when 91 per cent. of the demand was realized. The revised estimate was therefore fixed at 450 lakhs (= $\frac{91}{100}$ × 495), that is to say, 15¾ lakhs less than the original estimate, as revised by the Government of India. The original estimate was fixed by this Government at 460 lakhs, being the estimated collections on a total demand—current (452½ † lakhs) and arrears (42½ lakhs)—of 495 lakhs, at the rate of 93 per cent. This percentage was arrived at thus. The Government in reviewing ‡ the Board's original estimates for 1885-86 noticed that in estimating the probable collections of the year they had made no allowance for a portion of the 42½ lakhs estimated § to be outstanding on the 1st April 1885, eventually proving to be irrecoverable. The Government allowing 10 lakhs for this and assuming that 95 per cent. of the remaining Rs. 485,00,000, viz., 460¾ lakhs, would be collected—95 per cent. was the rate of collection in 1883-84 and is the rate assumed for ordinary years—fixed the original estimate of receipts for 1885-86 at 460 lakhs in round numbers. This sum is 92·9 or say 93 per cent., of the total demand, current and arrears for 1885-86, viz., Rs. 495,00,000. The Government of India raised this estimate to 465¾ lakhs, on the assumption that, with efficient supervision, 94 to 95 per cent. of the demand ought to be collected without difficulty in ordinary seasons, and that the short collections in 1884-85 would be more than made good during the current year.

† Average of five years ending 1883-84.

‡ G.O., No. 1174, Revenue, dated 27th October 1884.

§ The actuals were 62½ lakhs.

16. *An increase of Rs.* 6,96,000, *or say in round numbers* 7 *lakhs, in the budget estimate for* 1886-87, *as compared with the revised budget for* 1885-86.—Omitting from consideration the year 1884-85 as an unfavorable one, the average current demand for the five years ending 1883-84 was Rs. 452,67,600 or say 452½ lakhs. Taking in round numbers 452 lakhs as the basis of the estimate for 1886-87, and adding to it the 45 lakhs of outstandings from the previous year, a total demand is arrived

at of 497 lakhs. On the assumption that the season of 1886-87 will be more favorable than either of its two immediate predecessors, and that the rate of collection will consequently improve, this rate is taken at 92 per cent., instead of 91, and the result—viz., 457 lakhs—is taken as the amount of the estimate for 1886-87. This exceeds the revised estimate by 7 lakhs—the difference to be explained.

17. SALT.—*A decrease of* 12½ *lakhs in the revised estimate, as compared with the original budget of* 1885-86. *An increase of Rs.* 4,10,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.

18. *East Coast Salt consumption.*—The actuals, in East Coast salt transactions (vide Appendix G), of the first five months of the current year were 26,93,554 maunds, and those of the last seven months of 1884-85 amounted to 28,54,934 maunds. The sum of these two items amounts to 65,48,488 maunds. The actuals of the first five months of 1884-85 amounted to 26,34,528 maunds—a quantity less by 59,026 maunds than the actuals of the corresponding period of the current year. Assuming that the same rate of increase will continue to the end of the current year, the total sales of 1885-86 would amount to 66,33,296 maunds, or only 66,704 maunds less than the original estimate of 67,00,000 maunds. Owing, however, to the unfavorable character of the season and to the depressing influence which the increasing prices * of excise salt must have on the sales, the Commissioner of Salt Revenue considers that it would not be prudent to take the probable sales of East Coast salt in 1885-86 at a higher figure than 66,00,000 maunds—the amount taken in the revised estimate for 1885-86. The same considerations of prudence induced him to fix the budget estimate for 1886-87 at 66,50,000 maunds, or 50,000 less than the original estimate for 1885-86.

* In a letter, No. 12487, dated 3rd December 1885, addressed to the Board of Revenue, the Commissioner writes that the declared (at time of removal) average prices of salt sold at the Madras Salt depôt since excise sales began were as follows:—

September 1885	..	..	As. 4 9	(*ex* duty).
October ,,	..	..	,, 5 7	,,
November ,,	..	..	,, 5 5	,,

He further states that the introduction of the excise system has been invariably followed by a rise in price.

19. *West Coast Salt consumption.*—On the West Coast (South Canara), manufacture has ceased; the stock at the beginning of the year amounted to 68,622 maunds, but as in 1884-85 the licensees sold only 48,431 maunds, the Commissioner does not think that they will sell more than 50,000 maunds in the current year. This figure, which is less by 10,000 maunds than the original estimate of 60,000, is therefore taken in the revised budget for 1885-86, while the balance of stock, which, allowing for a wastage of 6,226 maunds in the two years, will amount to 12,000 maunds, is taken for the budget estimate of 1886-87.

20. *Miscellaneous items consumption.*—Under Miscellaneous items, the following variations occur:—

	Original Estimate.	Revised Estimate.	Budget Estimate.
	MDS.	MDS.	MDS.
Fish-curing operations	1,60,000	1,30,000	1,60,000
Issues to French Government	58,800	69,100	70,100
Do. for export	..	50,000	..
West Coast	..	400	700
Total ..	2,18,800	2,49,500	2,30,700

In the revised budget for 1885-86, the estimate for fish-curing is reduced by 30,000 maunds on the following considerations:—

	MDS.
Actual sales for fish-curing during the first 5 months of 1884-85 .	17,095
Do. for last 7 months	72,300
	89,395
Do. for first 5 months of 1885-86;	22,060
Probable sales in last 7 months $\frac{72,300}{17,095} \times 22,060$	93,299
Total sales for 1885-86 ..	1,15,359

This estimate was raised to 1,30,000 maunds considering that (i) the fish-curing industry was expanding very rapidly; (ii) that in 1884-85, the transactions for November and December 1884 and January 1885—a very good part of the year for fishing purposes—at the yards of the Chingleput, Negapatam and Tinnevelly divisions, were much affected by the cyclone of November 1884—a special cause. The figure of the original budget of 1885-86—viz., 1,60,000 maunds—is taken for the budget of 1886-87 also. The variations in the issues to the French Government are trifling and call for no remark. Neither in the original budget for 1885-86 nor in the budget for 1886-87 is any provision made for export, but in the revised budget for 1885-86, 50,000 maunds are entered, in the hope that recent orders allowing for wastage on salt exported to the Straits Settlements will revive the export trade thither and tend to clear the stocks at Vedarniem and other Government factories.

21. *Total consumption.*—The result of the foregoing is this:—

	Original Estimate, 1885-86.	Revised Estimate, 1885-86.	Budget Estimate, 1886-87.
	MDS.	MDS.	MDS.
East Coast salt	67,00,000	66,00,000	66,50,000
West Coast salt	60,000	50,000	12,000
Miscellaneous items	2,18,000	2,49,500	2,30,800
Total ..	69,78,800	68,99,500	68,92,800
		— 79,300	— 6,700

22. The revised budget for 1885-86 has, for the reasons specified above, been thus reduced from 69,78,800 maunds to 68,99,500 maunds, or by 79,300 maunds, and the budget estimate for 1886-87 is fixed at 68,92,800 maunds, or less than the revised estimate by 6,700 maunds.

23. *Operation of the monopoly and excise systems of administration.*—If the revenue derived from salt were levied at an uniform rate, and if salt sales meant only cash transactions, the explanations just given of the variations in the estimates of consumption in 1885-86 and 1886-87 would explain the variations in the budget estimates of receipts. But in the first place salt is of two kinds,

Monopoly,
Excise,

the former manufactured for and sold by Government at a price of Rs. 2-3-0 a maund, the latter manufactured by private parties and excised when sold by the imposition of a duty of Rs. 2 a maund. Of the price Rs. 2-3-0 of Government salt, Rs. 2 represent the duty, and As. 3 the cost-price of the salt to Government.

24. It is the policy of the Government to withdraw altogether from any direct connexion with the manufacture, and to encourage private enterprise in the development of the salt traffic. This means in other words the abolition of the Government monopoly and the development of private enterprise under the excise system. The table on the margin will show how this policy has worked in the five years ending 1884-85. In the year 1880-81 there were 58 factories, of which 3 were excise and 55 monopoly: in 1884-85 the total number of factories had been reduced to 50, but of these 22 were excise and only 28 monopoly; 8 factories had in the interval been altogether abolished. When the original budget for 1885-86 was sanctioned, it was anticipated that the excise factories would have increased to 23, and

	Years.	Factories. Excise.	Monopoly.	Total.
Actuals ..	1880-81	3	55	58
	1881-82	3	55	58
	1882-83	5	51	56
	1883-84	12	40	52
	1884-85	22	28	50
Estimates ..	Original, 1885-86	23	27	50
	Revised, 1885-86	32	15	47
	Budget, 1886-87	32	15	47

the monopoly ones been reduced to 27; but in the interval of a year between the time when the budget was framed and the time it was revised, the position had materially altered and the excise factories then numbered 32 and the monopoly ones only 15. The same relations between the two are anticipated for 1886-87.

25. *Effect of these on budget figures.*—As therefore every maund of monopoly salt that is superseded by excise means a loss to the revenue of 3 annas a maund, it is obvious that the changed relations between excise and monopoly factories that had occurred in the course of the year must materially affect the budget estimates of receipts for 1885-86 as originally sanctioned and as now revised.

26. The effect of the change is noted below:—

	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
	MDS.	MDS.	MDS.
Excise	27,60,000	39,84,000	51,67,000
Monopoly	42,18,800	29,15,500	17,25,800
Total ..	69,78,800	68,99,500	68,92,800

27. It will be observed that while the estimates of total consumption vary but little, the relations between excise and monopoly salt are altogether altered; the two are rapidly changing places—the natural result of the extension of the excise system and the withdrawal of the Government from the monopoly traffic.

28. The operation of this policy will appear also from the subjoined statistics of consumption; actuals for the five years ending 1884-85, estimates for 1885-86 and 1886-87:—

Years.	Quantity sold in maunds.			Percentage.		Increase or decrease per cent. in each year.	
	Excise.	Monopoly.	Total.	Excise.	Monopoly.	Excise.	Monopoly.
Actuals .. 1880-81	9,591	57,28,933	57,38,524	·16	99·84	..	..
1881-82	50,005	56,16,211	56,66,216	·8	99·2	+ 80·82	— 1.97
1882-83	2,30,759	60,71,872	63,02,631	3·6	96·4	+ 78·33	+ 7·50
1883-84	6,90,111	58,85,305	65,75,416	10·49	89·51	+ 66·56	— 3·07
1884-85	16,13,281	49,24,922	65,38,203	24·6	75·4	+ 57·22	— 16·32
Estimates .. Original, 1885-86 ..	27,00,000	40,00,000	67,00,000	40·29	59·71	+ 40·25	— 18·78
Revised, 1885-86 ..	39,34,000	26,66,000	66,00,000	59·6	40·4	+ 31·37	— 33·35
Budget, 1886-87 ..	51,55,000	14,95,000	66,50,000	77·5	22·5	+ 23·69	— 43·92

29. It will be seen from the foregoing statement that on the actuals of the five years ending 1884-85, excise sales had risen from a percentage of the total amounting to ·16 to a percentage of 24·6, and that the percentages had progressed at the following rates. The percentage in 1881-82, that is to say, was exactly five times what it was in 1880-81; in 1882-83 was exactly $4\frac{1}{2}$ times what it was in 1881-82; in 1883-84 was nearly three times as great as in 1882-83; and in 1884-85 nearly $2\frac{1}{2}$ times as great as in 1883-84.

30. The distribution in the original budget for 1885-86 and the redistribution in the revised budget of excise and monopoly salt, and the proposed distribution of them in the budget for 1886-87, are based on consideration of the probable consumption and the changed relations between excise and monopoly salt that have been just commented upon. The percentages of excise to total sales were, on the distributions so made, as follows:—

Original budget, 1885-86	40·2
Revised budget, 1885-86	59
Budget, 1886-87	77

31. These percentages agree fairly well with what, on the data of the progress-percentages noted above, might have been expected. On these data, the percentage of excise to total sales might have been taken in the original estimate for 1885-86 at nearly

double that of the actual of 1884-85, or something less than 49·12; the percentage on the originally budgeted distribution was 40·2, while for 1886-87 the percentage might have been taken at nearly $1\frac{1}{2}$ times that—59 per cent.—of the revised budget for 1885-86, or $88\frac{1}{2}$ per cent. The percentage, according to the distribution taken in the budget for 1886-87 is 77, or just under $1\frac{1}{4}$ times that of the revised budget for 1885-86, and is probably a safe estimate, as no increase in the number of excise factories appears to be anticipated in 1886-87.

32. *Operation of the credit-sale system.*—In the next place estimates of consumption in any given year are no guide to the actual receipts of revenue in that year owing to the operation of the credit-sale system. How that works will appear from the subjoined statistics, which will show that during the seven years between 1878-79 and 1884-85, credit sales have gradually risen from 25·3 to 46·2 per cent. of the total sales.

	Years.	Total sales.	Credit sales.	Percentage.
		MDS.	MDS.	
Actuals ..	1878-79	52,75,813	13,34,823	25·3
	1879-80	57,03,587	14,08,156	24·6
	1880-81	57,38,524	15,42,756	26·8
	1881-82	56,66,216	17,82,256	31·4
	1882-83	63,02,631	21,07,900	33·4
	1883-84	65,75,416	25,20,433	38·3
	1884-85	65,38,203	30,23,332	46·2
Estimates ..	1885-86 Original ..	67,00,000	32,16,000	48·0
	1885-86 Revised ..	66,00,000	36,96,000	56·0
	1886-87 Budget ..	66,50,000	39,90,000	60·0

33. The effect of this system—under which the credit transactions are adjusted every 6 months—is that in the financial accounts of the Salt department, receipts are exhibited under the following three heads:—

(1) Recoveries for salt sold in the last 6 months of the preceding year.
(2) Recoveries for salt sold in the first 6 months of the year.
(3) Cash transactions.

34. The price of salt sold on credit in the last six months of the year is recovered and exhibited in the accounts of the following year.

35. *The operation of all these causes as inducing changes in the budget.*—The result of the operation of all these causes is exhibited in the following statement which also explains the variations in the budgets.

—	Original Estimate, 1885-86.			Revised Estimate, 1885-86.			Budget Estimate, 1886-87.		
	Quantity and value of salt sold in the year.		Quantity and value of salt in respect of which revenue is expected to be realised.	Quantity and value of salt sold in the year.		Quantity and value of salt in respect of which revenue is expected to be realised.	Quantity and value of salt sold in the year.		Quantity and value of salt in respect of which revenue is expected to be realised.
	MDS.	RS.	MDS.	MDS.	RS.	MDS.	MDS.	RS.	MDS.
Monopoly Salt.									
East Coast—									
Credit sales of the previous year ..	..	..	12,12,000	..	..	7,72,100	..	..	16,88,900
Credit sales of the first 6 months (realised within the year) ..	8,92,400	19,52,100	8,92,400	16,26,000	22,54,900	20,76,800	7,43,300	16,26,000	16,26,000
Credit sales of the last 6 months (realised in the following year) ..	10,30,800	22,54,900	20,76,800	4,68,000	10,23,700	5,77,300	4,49,700	9,83,200	9,83,200
Cash sales	20,76,800	45,43,000	..	5,77,300	12,62,800	..	5,77,300	12,62,800	..
Total, East Coast ..	40,00,000	87,50,000	41,81,200	14,95,000	32,69,700	17,99,100	17,99,100	39,34,900	39,34,900
West Coast	..	..	1,800	700	1,800	700	700	1,800	1,800
Fish curing	1,60,000	92,000	1,60,000	1,60,000	1,04,500	1,60,000	1,60,000	1,04,500	1,04,500
French Government	58,800	10,000	58,800	70,100	10,800	70,100	70,100	10,800	10,800
Export by sea	..	..	..	..	..	..	..	..	..
Customs duty	..	2,000	2,000	..	2,000	..	..	2,000	2,000
Total, Miscellaneous ..	2,18,800	1,04,000	2,18,800	2,30,800	1,19,100	2,30,800	2,30,800	1,19,100	1,19,100
Amount added by the Government of India on consideration of the monthly reports of the Salt Commissioner ..	..	..	..	..	..	..	..	..	..
Total, Monopoly Salt ..	42,18,800	88,54,000	44,00,000	17,25,800	33,88,800	20,29,800	20,29,800	40,54,000	40,54,000
Excise Salt.									
East Coast—									
Credit sales of the previous year ..	..	..	4,46,000	3,12,200	6,24,400	8,92,000	..	..	22,21,800
Do. of the first 6 months ..	5,99,850	11,99,700	5,99,800	10,69,700	21,39,400	11,99,700	11,10,900	22,21,800	30,10,800
Do. of the last 6 do. ..	6,92,950	13,85,900	..	8,92,950	15,66,900	15,05,400	16,05,400	30,10,800	41,65,400
Cash sales of the year ..	14,07,200	28,14,400	14,07,200	17,53,400	31,33,800	..	20,82,700	41,65,400	..
Total, East Coast ..	27,00,000	54,00,000	24,53,000	35,06,800	20,82,700	41,65,400	49,99,000	93,98,000	93,98,000
West Coast	60,000	1,20,000	60,000	62,70,600	51,55,000	103,10,000	46,99,000	93,98,000	93,98,000
Total, Excise Salt ..	27,60,000	55,20,000	25,13,000	1,00,000	12,000	24,000	39,34,000	24,000	24,000
Total, Imperial ..	69,78,800	143,74,000	69,13,000	63,70,600	51,67,000	103,34,000	47,11,000	12,000	12,000
Provincial ..	..	58,000	..	79,68,000	31,85,300	63,70,600	39,84,000	94,22,000	94,22,000
Grand Total ..	..	144,32,000	..	139,15,300	64,42,700	129,56,000	67,40,800	134,76,000	134,76,000
				*1,37,000	..	1,37,000	..	1,37,000	1,37,000
				140,52,300	..	132,03,000	..	136,13,000	136,13,000
								4,10,000	
								—12,50,000	
								The budget differences to be explained.	

* The increase of Rs. 79,000 under Provincial, viz., from Rs. 58,000 to Rs. 1,37,000, is entirely due to the great extension of the excise system and the consequent increase of the revenue derived from the imposition of the cess varying from 1 to 15 pies on each maund of salt, which is levied from the licensees in excise factories to meet the interest of the capital cost of the Government works made over to them and the cost of their upkeep.

36. EXCISE.—*An increase of Rs.* 5,15,000 *in the revised as compared with the original budget of* 1885-86, *and a decrease of Rs.* 2,60,000 *in the estimate for* 1886-87 *as compared with the revised budget for* 1885-86.—This head of account is divided into two branches,

Abkári,

Opium,

and in explaining the budget variations, these must be separately dealt with. The following is an abstract of the estimates under the two heads:—

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 and 2	2 and 3
	RS.	RS.	RS.	RS.	RS.
(i) Abkári	76,60,000	81,00,000	78,20,000	+ 4,40,000	— 2,80,000
(ii) Opium	5,65,000	6,40,000	6,60,000	+ 75,000	+ 20,000
Total ..	82,25,000	87,40,000	84,80,000	+ 5,15,000	— 2,60,000

37. *Abkári.—An increase of Rs.* 4,40,000 *in the revised as compared with the original estimate of* 1885-86, *and a decrease of Rs.* 2,80,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86. The original budget estimate for 1885-86 was fixed by the Board of Revenue at Rs. 75,00,000: this was subsequently raised by the Government of India to Rs. 76,60,000. The revised estimate for 1885-86 is now taken at Rs. 81,00,000, or Rs. 4,40,000 in excess of the original budget. This estimate is fully justified by the following figures:—

	RS.
The actuals of the first 8 months of 1885-86 amounted to ..	54,15,485
The probable receipts in the remaining 4 months at the same rate of progress would be	27,07,742
This would give a total of .. .. or 81 lakhs in round numbers for the whole year.	81,23,227

38. The budget estimate of 1886-87 is fixed at Rs. 78,20,000, or Rs. 2,80,000 less than the revised estimate. This decrease is due to the following causes:—

A sum of Rs. 1,80,000, representing the cost price of liquor purchased by Government for the Town of Madras in the current year, will be saved in 1886-87, owing to the withdrawal of Government from the monopoly managed by itself on the introduction of the free-supply system into the town from 1st April next.

A sum of Rs. 60,000, being the contributions heretofore payable by distillers on account of the cost of the guarding and gauging establishments maintained by Government at each distillery for the protection of the Government revenue, has been foregone under G.O., No. 1363, Revenue, dated 10th December 1885; this charge will in future be borne by Government.

Some Rs. 40,000 will, it is anticipated, be lost on the re-sale of the arrack-vend farms and shop licenses next year owing to the expected re-action from the reckless biddings at the auction sales of last year. This is a decrease of 2½ per cent. on the amount—Rs. 16,43,000—of the arrack-vend farms and shop licenses in the revised budget for the current year.

39. The sum of these three items is Rs. 2,80,000—the difference to be explained.

40. *Opium.*—The revenue derived from this source is comprised under the following heads:—

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 and 2	2 and 3
	Rs.	Rs.	Rs.	Rs.	Rs.
Pass duty on Malwa opium	3,15,000	2,94,000	3,15,000	— 21,000	+ 21,000
Sale proceeds of monopoly of vend and other items	2,50,000	3,46,000	3,45,000	+ 96,000	— 1,000
Total ..	5,65,000	6,40,000	6,60,000	+ 75,000	+ 20,000

41. The pass duty is levied at the rate of Rs. 700 per chest of 140lb. and is paid to the credit of the Madras Government at Indore by merchants importing the drug from Malwa. The number of chests imported* since 1880-81 has averaged 452 per annum, or in round numbers 450. In the first five months of 1885-86, the number of chests imported amounted to 160 only, against 231 or nearly half as many more imported on the average of the corresponding period of the three preceding years. In the last seven months of 1883-84 and 1884-85, the actuals were 283 and 272 chests, but on consideration of the actuals of the first five months of the current year, the probable imports for the last seven months of it were taken at 260. The revised estimate was, therefore, fixed at 420 (= 160 + 260), instead of 450 chests as originally estimated. The average number of chests, viz, 450, is taken for 1886-87, which accounts for the difference of Rs. 21,000 (at Rs. 700 for thirty chests) between the revised estimate for 1885-86 and the budget estimate for 1886-87.

* Years.	First five months.	Last seven months.	Total.	Value.
	No.	No.	No.	Rs.
1880-81	202	314	516	3,61,200
1881-82	100	217	317	2,21,900
1882-83	234	178	412	2,88,400
1883-84	246	283	529	3,70,300
1884-85	214	272	486	3,40,200
Original estimate, 1885-86.	..	..	450	3,15,000
Revised estimate, 1885-86.	160	260	420	2,94,000
Budget estimate, 1886-87.	..	..	450	3,15,000

42. Under the head of Monopoly of vend, &c., the original estimate for 1885-86 was Rs. 2,50,000, but the actual sales realized Rs. 3,48,000; in their revised budget the Board take this at Rs. 3,46,000 to allow for possible small losses in collections. This accounts for the increase of Rs. 96,000 in the revised budget for 1885-86 as compared with the original. The figure taken for the budget estimate for 1886-87 is Rs. 3,45,000, or Rs. 1,000 less than the figure of the revised budget for 1885-86.

43. *The two combined.*—The combined figures for Abkári and Opium explain the budget differences under Excise.

44. PROVINCIAL RATES.—*A decrease of Rs.* 1,31,000 *in the revised as compared with the original estimate of* 1885-86, *and an increase of Rs.* 1,34,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86. The revenue under this head is purely local and consists chiefly of cesses on land. The causes therefore which operate to vary the budget estimates of land revenue will have the same effects in the case of these. The actuals during the past 5 years have averaged Rs. 61,85,194, as shown on the margin. The actuals of 1884-85, which as already explained (supra paragraph 11) was an unfavorable year, amounted to only Rs. 61,33,732 against the original estimate of Rs. 64,33,000. It was anticipated that the revenue for 1885-86 would be much the same as that originally estimated for 1884-85, and the original estimate for 1885-86 was accordingly taken at Rs. 64,34,000, or Rs. 1,000 more than that of the preceding year. The actual collections in the first

	Actuals.
	Rs.
1880-81	55,30,300
1881-82	61,87,645
1882-83	63,89,118
1883-84	66,85,177
1884-85	61,33,732
Total ..	309,25,972
Average ..	61,85,194

8 months of the current year (viz., Rs. 24,26,296) exceeded those of the corresponding period of the previous year (viz., Rs. 22,97,781) by Rs. 1,28,515. Assuming that the same rate of progress will continue in the remaining four months of the current year, the improvement for the whole year may be taken at 1,28,515 + 64,257 or Rs. 1,92,772 over the actuals of the previous year (viz., Rs. 61,33,731). This would give for the revised estimate of the current year a sum of Rs. 63,26,503. Allowing, however, for the somewhat unfavorable character of the season in this year also (as explained under Land Revenue), the receipts are put down at Rs. 63,03,000. In the hope that the season of 1886-87 will be an improvement on its immediate predecessors the estimate is fixed at Rs. 64,37,000, which is a near approximation to the original budgets for 1885-86 and 1884-85, viz., Rs. 64,34,000 and 64,33,000, respectively.

45. CUSTOMS.—*A decrease of Rs.* 1,73,000 *in the revised as compared with the original estimate of the current year, and an increase in the budget estimate of next year as compared with the revised estimate of the current year.* The actuals of the first 8 months of the current year (viz., Rs. 5,88,429) fall short of those of the corresponding period of the previous year (viz., Rs. 7,03,611) by Rs. 1,15,182, owing to a decrease in the exports of paddy and rice to foreign countries. In the first 8 months of the current year, the exports by sea amounted to only Rs. 2,35,000, as against Rs. 3,24,000 in the corresponding period of the previous year, while the exports by land* were only Rs. 20,000 as compared with Rs. 57,877 in the corresponding period of the previous year. The cause of the decrease is ascribed to the indifferent character of the season and to damage caused by the floods of November 1884. The Board thought it more than doubtful whether the falling off in the export trade of the earlier, would be made good in the last, months of the year. The decrease in the whole year would, at the same rate, therefore be 1,15,182 + 57,591 = 1,72,773, or, in round numbers, Rs. 1,73,000—the difference to be explained. The original budget of the current year was fixed at Rs. 11,00,000; the actuals for 1886-87 are taken at Rs. 10,97,000, that is to say, the original estimate, Rs. 11,00,000, for 1885-86, is in effect repeated for 1886-87.

* Chiefly Tanjore and Karikal.

46. REGISTRATION.—*An increase of Rs.* 1,25,000 *in the revised as compared with the original estimate of* 1885-86. This is explained in paragraphs 90 to 93 below in dealing with Provincial funds and services separately.

47. VARIATIONS IN EXPENDITURE..—The difference of Rs. 14,94,000 in the reduced as compared with the original grants for 1885-86 is due to the surrenders made by heads of departments in consequence of the financial pressure at the beginning of the year; the details are given below:—

	Rs.	Rs.
Land Revenue—		
Revision of Revenue Establishments	4,50,000	
Revenue Survey Department	75,000	
Revenue Settlement Department	17,000	
		5,42,000
Salt Department—		
Salt Purchase and Freight	2,50,000	
Petty Construction and Repairs	1,00,000	
		3,50,000
Forest Department—		
Conservancy and Works	70,900	
Establishments	29,100	
		1,00,000
Marine Department—		
Purchase of a Government Steamer		1,15,000
Minor Departments—		
Public Exhibitions and Fairs	16,000	
Cinchona Plantations	10,000	
Government Farm, Saidápet	7,000	
		33,000

	RS.	RS.
Civil Buildings, &c.—Civil Officers—		
Board of Revenue	37,000	
Vizagapatam Agency	19,000	
Churches and Cemeteries	7,000	
		63,000
Public Works Officers		2,91,000
Total ..		14,94,000

The variations in the revised estimate as compared with the reduced grant for 1885-86 and the budget estimate for 1886-87 are explained below.

48. LAND REVENUE.—*An increase of Rs.* 1,25,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of the current year.*—This is due in part and chiefly to the restoration of the grants in the Survey and Settlement departments, viz., Rs. 75,000 and Rs. 17,000, respectively, and to increased expenditure under sundry miscellaneous items in connection with Collectors' establishments, village service establishments, &c., aggregating Rs. 33,000.

49. SALT AND EXCISE.—*An increase of Rs.* 1,59,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86.—When the original estimates for 1885-86 were framed, a sum of Rs. 17,20,000 was provided under Salt (Imperial) and Rs. 2,55,000 under Excise (half Imperial and half Provincial).

50. The following statement exhibits the changes involved by the amalgamation of the two departments of Salt and Excise and explains the variations in the estimates, as originally framed and as now revised;

Salt and Excise.	Original grant, 1885-86.	Reduced grant, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference. 2 and 3.	Difference. 3 and 4.
	1	2	3	4	5	6
	RS.	RS.	RS.	RS.	RS.	RS.
SALT.						
(i) *Charges relating exclusively to Salt*—						
Petty Construction and Repairs	1,10,000	10,000	54,000	74,000	+ 34,000	+ 20,000
Salt Purchase and Freight	4,43,500	1,93,500	2,26,000	2,36,000	+ 32,500	+ 10,000
Transfer of Orissa Salt Works to Madras.	..	..	10,000	63,600	..	+ 53,600
(ii) *Combined Salt and Excise Charges*—						
Portion debitable to Salt. { Salaries, Establishment and Contingencies.	11,66,500	11,66,500	9,55,000	11,44,400	— 2,11,500	+ 1,89,400
Total Salt ..	17,20,000	13,70,000	12,45,000	15,18,000	— 1,25,000	+ 2,73,000
		—3,50,000				
EXCISE.						
(ii) *Combined Salt and Excise Charges*—						
Portion debitable to Excise .. { Salaries, Establishment and Contingencies.	45,000	45,000	1,03,000	1,62,000	+ 58,000	+ 59,000
(iii) *Charges relating exclusively to Excise*—						
Salaries, Establishment and Contingencies.	34,000	34,000	76,000	83,000	+ 42,000	+ 7,000
Cost of Liquor for Madras town	1,76,000	1,76,000	1,80,000	..	+ 4,000	— 1,80,000
Total Excise ..	2,55,000	2,55,000	3,59,000	2,45,000	+ 1,04,000	— 1,14,000
Grand Total ..	19,75,000	16,25,000	16,04,000	17,63,000	— 21,000	+ 1,59,000

51. As a consequence of the amalgamation of the two departments, "Excise" no longer appears on the expenditure side as a separate major head of account. The entire charges on account of it are debited in the first instance to "Salt" (Imperial), the provincial share of them being adjusted by deduction from the Land Revenue percentage due to Provincial services in accordance with the rules of the Financial

department and as directed in G.O., Revenue, No. 1091, dated 25th September 1885. In distributing the cost of the combined establishments between "Salt" and "Excise" for the purpose of carrying out the above adjustment, the Commissioner excluded in the first place—

all charges appertaining to salt only, *e.g.*, all charges debitable entirely to Orissa, Salt purchase and freight, Salt petty construction and repairs, &c.;
all charges debitable to excise only, such as gauging establishments in the Mofussil and the establishments and cost of purchase of liquor for Madras town.

The balance of charges he proceeded to distribute between "Salt" and "Excise" by an arithmetical method which the following example will illustrate and explain. Suppose that the sanctioned cost of the old establishment of "Salt" Inspectors was Rs. 14,250, and that the cost of the "Inspector" establishments for the combined duties of "Salt" and "Excise" is raised to Rs. 15,300, or by Rs. 1,050 a-month, then the fraction $\frac{1050}{15300}$, which represents the ratio of the increase per mensem under this head to the total sanctioned cost of it, is taken as the factor to be applied to the actual cost of the "Inspector" class—for the purpose of *estimates* as actually entertained,* for the purpose of *actuals* as ascertained at the close of the year—for the determination of the proportion of it that is due to "Excise." Factors for each of the other separate classes of officers and for house-rent and contingencies are similarly determined and applied, the sum total of the several proportions of cost thus ascertained representing the "Excise" share of the cost of the combined establishments. The Excise share of contingencies is determined by the proportion that the excise share of "Establishments" bears to their total cost.

* Establishments are not yet entertained as sanctioned.

52. *Charges relating exclusively to Salt.*—In the budget for 1886-87, the Orissa charges are estimated for in full, instead of for a portion of the year as in the revised estimate.

53. *Combined Salt and Excise Establishments.*—The large saving of Rs. 2,11,500 and Rs. 1,89,400 in the revised estimate, as compared with the original and budget estimates under *Salt*, is due to the fact that provision is made in the budget for the full sanctioned scale of salaries, whereas the higher grades in establishments from Inspectors downwards are filled up only gradually according to merit. This causes an excess in the strength of the lower and less highly-paid grades. It will be seen from the following statement that the budget estimates of this department have always been in excess of actual requirements:—

		Grants.	Actuals.	Difference.
		RS.	RS.	RS.
Actuals ..	1878-79	8,30,000	6,48,145	— 1,81,855
	1879-80	8,56,000	4,43,156	— 4,12,844
	1880-81	5,64,000	4,65,785	— 98,215
	1881-82	6,03,000	5,85,735	— 17,265
	1882-83	9,36,000	6,76,457	— 2,59,543
	1883-84	9,39,000	8,96,016	— 42,984
	1884-85	11,22,200	10,04,225	— 1,17,975

54. *Charges relating exclusively to Excise.*—The increase in the revised and budget estimates under Salaries, Establishments and Contingencies is due to the progress of the reorganization of the department. Owing to the introduction of the free-supply system into Madras Town, it will no longer be necessary to buy liquor for sale in Madras. The cost price of this item, which in the current year amounts to Rs. 1,80,000, will therefore disappear from the accounts: this explains the large decrease under purely excise charges in the budget estimate for 1886-87.

55. FORESTS—*An increase of Rs.* 1,92,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of the current year.*—Of this amount, Rs. 1,34,000 fall to "Conservancy and Works," and the remainder, Rupees 58,000, to "Establishments." The original estimate for 1885-86 was Rupees 11,22,000: the revised estimate was, allowing for the surrender of a lakh (vide paragraph 47 supra), fixed at Rs. 10,18,000. If to the revised budget be added the lakh surrendered under financial pressure, we get a sum of Rs. 11,18,000, or Rs. 92,000 less than the budget estimate for 1886-87: in other words, the budget estimate for 1886-87 is based on the restoration of the surrendered lakh, and an estimated further expenditure of Rs. 92,000 in excess of the revised budget of 1885-86. The details of the excess of Rs. 1,92,000 in the budget estimate for 1886-87 are given on the margin.

Conservancy and Works.

	Rs.	Rs.
Timber—		
Felling and squaring 20,000 cubic feet of teak in South Coimbatore, at 8 annas per cubic foot		10,000
Felling and logging 10,000 trees in Ganjam, at Rs. 1½ per tree with depôt expenses and temporary establishment		18,000
Collection of 2,000 tons of redwood roots in Cuddapah, at Rs. 6¼ per ton		12,500
Cost of cutting and carriage of fuel from Sriharikôt (Nellore) to canal bank, and of cutting 3,000 tons of casuarina		16,000
Cutting and taking to Ootacamund depôt 5,000 cubic feet of teak, at Annas 13-6		4,220
Live and Dead Stock—		
Purchase of four elephants—two in Ganjam and two in Godávari—at Rs. 2,500 each		10,000
Communications and Buildings—		
Repairs to sundry roads and bridges	5,000	20,000
Head-quarters bungalow at Nandiyál	4,000	
Do. do. at Anantapur	6,000	
Forest house at Nilambúr	2,000	
Do. at Setumalai	7,000	
Sundry other buildings		24,000
Demarcation—		
Demarcation and clearance of forest reserves, maintenance of existing plantations, forest surveys and settlement, fire-tracing and other operations		22,000
		1,36,720
Savings under other heads		2,720
		1,34,000

Establishments.

Salaries of superior officers	11,000	
Subordinate officers and establishments	15,000	
Deputation and special allowances	15,000	
Travelling allowances	12,000	
Sundry other charges	5,000	
		58,000
Grand Total		1,92,000

The following abstract shows the distribution of this amount between restored surrenders and new expenditure:—

Items.	Surrender to India restored in budget of 1886-87.	New expenditure budgeted for.	Total.
	Rs.	Rs.	Rs.
Conservancy and Works	70,900	63,100	134,000
Establishments	29,100	28,900	58,000
Total	1,00,000	92,000	1,92,000

It will appear from this that the new and additional expenditure under "Conservancy and Works" amounts really to only Rs. 63,100 and under "Establishments" to Rs. 28,900.

56. The increased provision under Establishments is mainly due to the allowances of a special Forest Settlement Officer to be employed in the Northern Division, amounting, with contingencies, travelling allowances, &c., to Rs. 18,000, and to the salaries amounting to some Rs. 8,000 of three new officers expected from England.

57. The following figures will show that the grants in each year have not, as a rule, been fully utilised in the Forest department:—

Years.	Conservancy and Works.		Establishments		Total.		Difference.
	Grants.	Actuals.	Grants.	Actuals.	Grants.	Actuals.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Actuals 1880-81	3,02,000	2,13,070	3,20,000	3,05,715	6,22,000	5,18,785	— 1,03,215
1881-82	3,09,600	2,68,790	3,28,400	3,34,710	6,38,000	6,03,506	— 34,494
1882-83	3,47,000	3,09,801	3,76,000	3,35,064	7,23,000	6,44,865	— 78,135
1883-84	4,25,000	3,50,564	4,96,000	4,35,126	9,21,000	7,85,690	— 1,35,310
1884-85	4,77,900	4,03,765	5,08,100	4,91,689	9,86,000	8,95,454	— 90,546

58. LAW AND JUSTICE—*An increase of Rs.* 1,51,000 *in the budget estimate of* 1886-87 *over the revised estimate of the current year.*—The chief items composing this excess are the following:—

Rs. 20,000 on account of increased establishment and contingencies for the service of judicial processes in Civil and Sessions Courts. This expenditure is more than recouped from the fees levied for the service of process.

Rs. 1,13,000, the cost of the increased jail guard establishments entertained by the Jail Department in lieu of the Police guards formerly employed.

It is observed that the budget grants for this department have been as a rule considerably in excess of actual requirements, as shown by the following figures:—

		Grants.	Expenditure.	Difference.
		Rs.	Rs.	Rs.
Actuals	1880-81	13,04,500	11,12,738	—1,91,762
	1881-82	11,64,000	9,75,578	—1,88,422
	1882-83	10,60,000	9,03,875	—1,56,125
	1883-84	9,92,200	7,89,250	—2,02,950
	1884-85	8,99,000	8,02,164	— 96,836

59. EDUCATION—*An increase of Rs.* 1,34,000 *in the revised estimate as compared with the sanctioned grant of the current year, and a decrease of Rs.* 1,00,000 *in the budget of* 1886-87 *as compared with the revised budget for* 1885-86.—The excess in the current year occurs almost exclusively under Grants-in-aid and Payments by results, which have, since 1882-83, considerably exceeded the sanctioned allotments as will appear from the following statement:—

		Grants.	Actuals.	Excess.
		Rs.	Rs.	Rs.
Actuals	1882-83	2,70,700	3,27,191	+ 56,491
	1883-84	2,88,000	3,32,821	+ 44,821
	1884-85	2,74,000	3,76,537	+ 1,02,537

60. The increase is chiefly due to—

	Rs.
Salary and rent grants to colleges and schools for boys	18,000
Do. do. do. girls	16,000
Scholarship grants to boys' schools	7,500
Do. do. girls' do.	6,000
Grants to municipalities for net cost of High School department of Government institutions transferred to them	3,500
Grants for feeding and clothing (orphanages)	8,000
Payments by results	12,000
Added by Accountant-General on consideration of the actuals for the first eight months, viz., Rs. 2,38,000	63,000
Total	1,34,000

61. The decrease of Rs. 1,00,000 in the budget estimate for 1886-87 is thus explained. The Director provides Rs. 67,000 less for grants-in-aid in this year than in the revised estimate for 1885-86 because the introduction of the new Grant-in-aid Code from 1st April 1886, will, he thinks, have the effect of reducing expenditure owing to the restrictions imposed by it on grants-in-aid. The remainder of the decrease in the budget for 1886-87, viz. (1,00,000—67,000), Rs. 33,000, occurs under "Government schools, general," owing to the transfer of the cost of the Chicacole, Cuddapah, Kurnool, and Cannanore High Schools, as well as the High School departments of the Rajahmundry, Salem, and Bellary Colleges, to municipalities and private institutions.

62. STATIONERY AND PRINTING—*An increase of Rs.* 2,11,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.—Of this increase, the main portion, viz., Rs. 1,99,000, is due under Imperial to the purchase locally in India of stationery for the Central Depôt at Madras that was formerly supplied from England through the agency of the Secretary of State. Supplies from England to Central Depôts find no place in the accounts of the Presidency—they are charged off finally in the Home accounts—but the cost of stationery purchased locally for supply

to Central Depôts is charged in the Imperial section of the accounts to the provinces concerned.

63. Famine Relief—*An increase of Rs.* 2,00,000 *in the revised as compared with the original estimate for* 1885-86 *and a decrease of Rs.* 2,70,000 *in the budget for* 1886-87 *as compared with the revised estimate.*—The provision of Rs. 80,000 in the sanctioned budget was on account of the Guntakal-Hindupur Railway, which was undertaken in the early part of the year for relieving the distress in Bellary and Anantapur. The actual expenditure, however, exceeded Rs. 2,72,000 in three months (vide G.O., No. 1268, Financial, dated 14th September 1885). Under the sanction of the Government of India recorded in G.O., No. 181, Revenue, dated 6th February 1885, the charges on this account are for the present to be debited against the Provincial reserve (now reduced to 17 lakhs), and to be eventually recovered from the Government of India, when the construction of the railway is undertaken by that Government as an Imperial work. The provision of Rs. 10,000 for 1886-87 is intended to meet ordinary "fire, flood and epidemic charges."

64. Irrigation and Navigation—*An excess in the revised as compared with the original estimate for* 1885-86 *of Rs.* 2,68,000 *and a decrease of Rs.* 1,65,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate.*—The increase shown under this head in the revised estimate of 1885-86 is due (i) to the cost of restoring the Red Hills lake and Cholaveram tank breached in November 1884 (Rs. 2,21,580), the whole of which was debited to Provincial under Government of India Resolution, No. 269 I., dated 18th October 1885; and (ii) to the transfer of certain project divisions (B and C in Coimbatore and Bellary, the Chilka Lake canal and the Lower Coleroon irrigation project) from Imperial to Provincial under G.O., No. 691 W., dated 14th March 1884, costing Rs. 76,778—an expenditure not foreseen at the time the original budget was prepared; and (iii) to savings under other heads amounting to Rs. 30,358. The budget estimate for 1886-87 was taken at Rs. 4,66,000 or Rs. 1,65,000 less than the revised budget for 1885-86, viz., Rs. 6,31,000 and Rs. 1,03,000 in excess of the original budget for 1885-86, viz., Rs. 3,63,000. The figure for 1886-87 was arrived at thus;

	Rs.
Revised estimate for 1885-86	6,31,000
Deduct abnormal charges in 1885-86 for Red Hills tank	2,22,000
Remainder	4,09,000
Add cost of project division transferred from Imperial	77,000
	4,86,000
Deduct net savings under other heads	20,000
Remainder, that is the budget estimate	4,66,000

65. Civil Buildings, Roads and Services.—The estimates for current and next year under this head stand as follows:—

Civil Buildings, Roads and Services.	Original grant, 1885-86.	Reduced grant, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Reduced grant, 1886-87.	Difference.	
1	2	3	4	5	6	3 & 4	4 & 6
Civil Officers.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Provincial	3,02,000	2,39,000	2,50,000	3,55,000	2,55,000	+ 11,000	+ 5,000
Local	40,90,000	40,90,000	39,25,000	40,50,000	40,50,000	— 1,65,000	+ 1,25,000
Total ..	43,92,000	43,29,000	41,75,000	44,05,000	43,05,000	— 1,54,000	+ 1,30,000
	— 63,000		+ 2,30,000	— 1,00,000			
Public Works Officers.							
Provincial	23,00,000	20,09,000	19,26,000	25,00,000	21,00,000	— 83,000	+ 1,74,000
Local	1,30,000	1,30,000	95,000	1,31,000	1,31,000	— 35,000	+ 36,000
Total ..	24,30,000	21,39,000	20,21,000	26,31,000	22,31,000	— 1,18,000	+ 2,10,000
Difference ..	— 2,91,000		+ 6,10,000	— 4,00,000			

66. The differences between columns 2 and 3 represent the surrenders made in the beginning of the year (vide paragraph 47 supra); while those between 5 and 6 represent the reductions ordered in paragraphs 100 and 101 infra. The variations in the revised estimate for 1885-86, as compared with the reduced grants for 1885-86 and 1886-87, are explained below.

67. *Civil Officers—A decrease of Rs.* 1,54,000 *in the revised as compared with the reduced grant for* 1885-86, *and an increase of Rs.* 1,30,000 *in the reduced budget estimate for* 1886-87 *as compared with the revised estimate.*—The variations under this sub-division occur chiefly under *Local Funds*, owing to provision being generally made in the budgets for a much larger number of works than it is actually found possible to execute in the course of the year. The excess of Rs. 1,30,000 for next year, as compared with this year is due to the same cause, which the following figures will show to have constant operation:—

	Grants.	Actuals.	Difference.
	Rs.	Rs.	Rs.
1882-83	37,82,000	37,81,331	— 669
1883-84	41,59,000	38,78,411	— 2,80,589
1884-85	43,00,000	38,48,814	— 4,51,186

68. *Public Works Officers—A decrease of Rs.* 1,18,000 *in the revised as compared with the reduced grant of the current year, and an increase of Rs.* 2,10,000 *in the reduced budget estimate for* 1886-87 *as compared with the revised estimate.*—Here the variations occur chiefly under *Provincial Services.* The decrease in the current year is due to the restriction of expenditure in accordance with the orders issued in that behalf. The original grant for 1886-87 was fixed at Rs. 25,00,000, the average grant for the 3 years ending 1884-85 was Rs. 21,50,000, and when, owing to financial difficulties, it became necessary to revise the budget grant for 1886-87, the Provincial allotment was fixed at Rs. 21,00,000, or half-a-lakh less than the average.

69. Exchange on Transactions with London.—*A decrease of Rs.* 5,01,000 *in the revised as compared with the original estimate of* 1885-86. The budget provision under this head is finally determined by the Comptroller-General, who distributes the total drawings of the Secretary of State on India according to the proportions debitable to each presidency. The original estimate for 1885-86 was fixed at Rs. 21,33,000, but the actuals of its first 8 months, viz., Rs. 6,41,000, added to the actuals of the last 4 months of 1884-85, viz., Rs. 9,52,000, amount only to Rs. 16,00,000 in round numbers. The revised estimate of Rs. 16,32,000 has been evidently fixed on consideration of this figure. The same figure is repeated for 1886-87. There is no information here as to the final causes of variations. The charge is wholly Imperial.

(B.) PROVINCIAL.

70. Introduction.—The following is an abstract of Appendix D which deals with that portion of the budget statements which appertains to Provincial services only:—

——	Original estimate of 1885-86.	Revised estimate of 1885-86.	Budget estimate of 1886-87.	Revised compared with original.	Budget compared with revised.
	Rs.	Rs.	Rs.	Rs.	Rs.
Opening balance ..	21,23,000	20,83,000	23,92,000	— 40,000	+ 3,09,000
Receipts.					
Land Revenue	137,67,000	131,28,000	133,92,000	— 6,39,000	+ 2,64,000
Excise	41,13,000	43,70,000	42,40,000	+ 2,57,000	— 1,30,000
Other heads (with variations below a lakh)	66,39,000	68,83,000	69,31,000	+ 2,44,000	+ 48,000
Total ..	245,19,000	243,81,000	245,63,000	— 1,38,000	+ 1,82,000
Grand Total ..	266,42,000	264,64,000	269,55,000	— 1,78,000	+ 4,91,000

—	Sanctioned grant, 1885-86.	Reduced grant, 1885-86.	Revised budget, 1885-86.	Budget estimate, 1886-87.	Difference.		
	1	2	3	4	1 & 2	2 & 3	3 & 4
Charges.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Land Revenue	50,52,000	45,10,000	44,95,000	46,18,000	— 5,42,000	— 15,000	+1,23,000
Excise	1,27,000	1,27,000	..	..	..	—1,27,000	..
Forest	11,22,000	10,22,000	10,18,000	12,10,000	— 1,00,000	— 4,000	+1,92,000
Law and Justice	47,78,000	47,78,000	47,43,000	48,94,000	..	— 35,000	+1,51,000
Education	11,09,000	11,09,000	12,47,000	11,46,000	..	+1,38,000	—1,01,000
Famine relief	80,000	80,000	2,80,000	10,000	..	+2,00,000	—2,70,000
Irrigation and Navigation	3,63,000	3,63,000	6,31,000	4,66,000	..	+2,68,000	—1,65,000
Civil Buildings (Public Works dept.).	23,00,000	20,09,000	19,26,000	25,00,000	— 2,91,000	— 83,000	+5,74,000
Other heads (with variations below a lakh)	96,76,000	94,65,000	97,32,000	99,89,000	— 2,11,000	+2,67,000	+2,67,000
Total ..	246,07,000	234,63,000	240,72,000	248,33,000	— 11,44,000	+6,09,000	+7,61,000
Closing balance ..	20,35,000	31,79,000	23,92,000	21,22,000	+ 11,44,000	—7,87,000	—2,70,000

71. From this it will appear that, according to the revised budget for 1885-86, the receipts show a decrease of Rs. 1,78,000 on the original estimate, and that the budget estimate for 1886-87 shows an increase in receipts of Rs. 4,91,000 as compared with the revised budget of 1885-86.

72. On the expenditure side of the account again the original estimate of 1885-86, viz., Rs. 246,07,000, was, in response to the call made in April last by the Government of India, reduced to Rs. 234,63,000, or by Rs. 11,44,000. As compared with the original grant the revised budget for 1885-86 shows a decrease of Rs. 5,35,000, but as compared with the reduced grant, the revised budget for 1885-86 shows an increase of Rs. 6,09,000, while the budget for 1886-87 is in excess of the revised budget for 1885-86 by Rs. 7,61,000.

73. VARIATIONS.—The only variations that require special notice here are those under Land Revenue "Receipts." The other variations have been fully explained when dealing with the consolidated budget (vide supra paragraphs 36 to 69). The variations under Land Revenue receipts are explained as follows:—

74. *A decrease of Rs.* 6,39,000 *in the revised as compared with the original estimate of* 1885-86.—The Provincial share of Land Revenue was thus arrived at:—

	—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Revised with original.	Budget with revised.
		RS.	RS.	RS.	RS.	RS.
	(1) Total Land Revenue according to Board's estimate	465,75,000	450,00,000	457,00,000	— 15,75,000	+ 7,00,000
	(2) Provincial share at 28·8073 per cent. ..	134,17,000	129,63,000	131,65,000	— 4,54,000	+ 2,02,000
Adjustments by Acct.-Genl.	*Add*— (3) Net addition on account of adjustments between Imperial and Provincial (*other than Excise charges, vide* Appendix F.)	3,50,000	3,44,000	3,49,000	— 6,000	+ 5,000
	Total ..	137,67,000	133,07,000	135,14,000	— 4,60,000	+ 2,07,000
	Deduct— (4) Provincial share (*i.e.*, half) of Excise charges	..	1,79,000	1,22,000	+ 1,79,000	— 57,000
	Total (Provincial share) ..	137,67,000	131,28,000	133,92,000	— 6,39,000	+ 2,64,000

75. The minus difference, Rs. 4,54,000, between the receipts under Land Revenue of the Board's revised estimate for 1885-86 and those of the original estimate is the share at 28·8073 of the decrease of 15¾ lakhs under Land Revenue that was explained under the same heads when dealing with the consolidated budget (vide supra para. 15).

76. The deduction from the Provincial share of Land Revenue of "Excise" charges amounting to Rs. 1,79,000 is thus explained. When the original budget for 1885-86 was framed, "Excise" was shown on the expenditure side as a separate major head of account. On the subsequent amalgamation of "Excise" with "Salt," the former disappeared from the expenditure side of the account as a consequence of the orders of the Government of India * under which all charges on account of it are debited in the first instance to "Salt" (Imperial), and adjusted afterwards by deducting the Provincial share of them (= ½) from Land Revenue—the only adjusting head as between Imperial and Provincial.

* G.O., No. 1091, Revenue, dated 25th September 1885.

77. The sum of the foregoing two items, viz., Rs. 4,54,000 and Rs. 1,79,000, is Rs. 6,33,000. If to this be added the Rs. 6,000 of decrease in the revised as compared with the original budget for 1885-86, that represent the net addition of adjustments ("other than Excise") between Imperial and Provincial (vide Appendix F), the difference of Rs. 6,39,000 to be explained is arrived at.

78. *An increase of Rs.* 2,64,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.—The Land Revenue share of this, viz., Rs. 2,02,000, is the Provincial share at 28·8073 per cent. of the increase of Rs. 6,96,000 in the consolidated budget under this head dealt with and explained in para. 16 supra. The main part of the remainder (Rs. 62,000) viz., Rs. 57,000, is the difference between the estimated adjustment under Land Revenue for Excise charges in 1886-87, viz., Rs. 1,22,000, and the amount entered in the revised budget for 1885-86, viz., Rs. 1,79,000. These items have been explained (paras. 50 to 52 supra) in dealing with the consolidated budget.

79. The remaining Rs. 5,000 of the amount to be explained is the net addition of adjustments ("other than Excise") between Imperial and Provincial (vide Appendix F).

80. FINANCIAL POSITION OF PROVINCIAL SERVICES.—The financial position of "Provincial services" then is in brief this.

81. The year 1884-85 closed with a balance of Rs. 20,83,000, or Rs. 40,000 less than the estimated balance of Rs. 21,23,000. The current year 1885-86 is estimated to close with a balance of Rs. 23,92,000, and the year 1886-87 with a balance of Rs. 21,22,000. Both of these sums include the Rs. 11,44,000 that were surrendered to the Government of India in June 1885. Should, therefore, that Government find it eventually necessary to retain that amount, the position at the close of 1885-86 will be as follows:—

	RS.
Closing balance	23,92,000
Deduct standing balance	17,00,000
Remainder	+ 6,92,000
Deduct surrender to India	11,44,000
Deficit	— 4,52,000

and at the close of 1886-87 the position will, on the budget estimates as passed for that year, be as follows:—

	RS.
Closing balance	21,22,000
Deduct standing balance	17,00,000
Remainder	+ 4,22,000
Deduct surrender to India	11,44,000
Deficit	— 7,22,000

82. To secure an equilibrium therefore that may possibly be disturbed, it becomes necessary to consider what modifications may be made in the budget for 1886-87 as already passed. There are but two ways in which this can be effected: the one is by increasing receipts, the other by reducing expenditure.

83. MEASURES FOR INCREASING RECEIPTS.—The only heads of account under which it seems possible to raise the estimates of receipts are "Stamps" and "Registration."

84. *Stamps.*—The following are the actuals of the last three years:—

	RS.
1882-83	52,08,370
1883-84	56,24,862
1884-85	56,49,032

85. The increase-differences between these years are in the first case Rs. 4,16,492 and in the second case Rs. 24,170.

86. The large increase in 1883-84 over the figures of 1882-83 was due to the introduction from 1st March 1883 of 2-anna stamp papers for copies in lieu of the 1-anna papers that were formerly in use.

87. The actuals for the first eight months of the current year 1885-86 were Rs. 38,81,533, and the actuals of the last four months of 1884-85 amounted to Rs. 19,19,094. The sum of these two amounts is Rs. 58,00,627. The original estimate for the current year 1885-86 was Rs. 56,50,000, and this figure is taken by the Board for both the revised estimate of 1885-86 and the budget estimate of 1886-87. The Board based their estimates on the consideration that the actuals of the last four months of 1884-85 were abnormally swelled by purchases of stamps for large values by certain Zemindars having money transactions in Madras.

88. The actuals for the first eight months of the current year, however, exceeded the actuals (Rs. 37,29,938) for the corresponding period of 1884-85 by Rs. 1,51,595.

89. The Accountant-General thinks, therefore, that the progressive increase in the stamp revenue is due, not to exceptional, but to general, causes, and suggests that 57½ lakhs would be a more reasonable estimate for the revised budget of 1885-86 than 56½; on the same ground, he would put the budget estimate for 1886-87 at 57 lakhs. But as the revenue under this head is clearly progressive, it would seem more reasonable to fix the revised budget for 1885-86 at 57 lakhs and the budget estimate for 1886-87 at 57½, and these figures will accordingly be adopted, and Provincial receipts will thus be increased by Rs. 25,000 in the current year and by Rs. 50,000 in the budget estimate for 1886-87.

90. *Registration.*—The actuals for the last three years were:—

	RS.
1882-83	5,79,446
1883-84	6,32,067
1884-85	7,58,407

91. The increase-differences between these three sets of figures are, in the first case Rs. 52,621, and in the second case Rs. 1,26,340.

92. The large increase in 1884-85, as compared with 1883-84, is due to a revised and increased scale of registration fees from 1st May 1884.

93. The actuals for the first eight months of 1885-86 were Rs. 6,28,483, and the actuals for the last four months of 1884-85 amounted to Rs. 2,41,331. The sum of these two amounts is Rs. 8,69,814. The original estimate for 1885-86 was Rs. 7,00,000. The revenue is steadily progressive, and the Accountant-General, on consideration of the foregoing figures, fixed both the revised estimate for 1885-86 and the budget estimate for 1886-87 at Rs. 8,25,000, but remarked that if the progress of the first eight months of the current year was maintained up to December (1885), the revised estimate might be raised to Rs. 8,50,000. The actuals up to 31st December 1885 were Rs. 7,00,149, or in nine months Rs. 149 in excess of the original budget estimate for the whole year. At the same rate of progress, the receipts for 1885-86 would be Rs. 9,33,532. The suggestion of the Accountant-General may therefore be safely adopted, and the revised budget for the current year will be raised from Rs. 8,25,000 to Rs. 8,50,000, and the budget estimate for 1886-87 from Rs. 8,25,000 to Rs. 9,00,000. The Provincial share of the increase for 1886-87 is Rs. 37,500.

94. MEASURES FOR REDUCING EXPENDITURE.—On a review of the proposed grants for 1886-87, the following reductions will be made.

95. *Police.*—In the budget of this department are entered Rs. 14,088, the cost of 138 men provided for guarding the Central Jails and the Penitentiary at Madras. Provision for this duty is made in the Jail department under the jail guard scheme. The amount will therefore be struck out from the Police budget. The share of police "contingencies" due to this amount, viz., Rs. 1,500, will also be deducted from the budget, making a total deduction under the item of Rs. 15,588.

96. Subjoined is a statement showing the estimates and actuals for the last three years under the following heads.

Years.	Salaries and Establishments.			Salaries, Establishments and Contingencies (*i.e.*, the whole Budget).		
	Actuals.	Sanctioned estimate.	Savings.	Actuals.	Total grants.	Savings.
	RS.	RS.	RS.	RS.	RS.	RS.
1882-83	32,14,016	32,63,994	49,978	36,05,480	37,23,000	1,17,520
1883-84	32,35,781	33,08,157	72,376	36,45,310	37,60,000	1,14,690
1884-85	31,94,437	32,64,893	70,456	36,77,945	37,10,000	32,055 *
			3)1,92,810			3)2,64,265
			64,270			88,088

* Reduction due to large expenditure last year on warm clothing and carbines—an expenditure not likely to recur for some time.

97. From this it appears that the average saving on "Salaries and Establishments" was nearly Rs. 65,000 a year, and on "Salaries, Establishments and Contingencies" considerably more than Rs. 80,000 a year. A deduction of Rs. 60,000 may therefore safely be made from the budget, and this added to the saving under "Jail guards," say, Rs. 15,000, makes a total deduction of Rs. 75,000.

98. *Marine.*—The Rs. 20,000 provided as a subsidy to a steam ship company in view to securing regular sea postal communication with the northern ports will be struck out, as the Director-General of Post Offices has recently intimated that he has made arrangements with the British India Steam Navigation Company which will secure the object aimed at without expense to this Government.

99. *Irrigation and Navigation.*—The grant for 1886-87 will be reduced from Rs. 4,66,000 to Rs. 3,66,000, or by a lakh. The grant will still be Rs. 3,000 in excess of the sanctioned estimate for the current year.

100. *Civil Buildings—Roads and Services in charge of Civil Officers.*—The grant for 1886-87 will be reduced by a lakh, that is to say, from Rs. 3,55,000 to Rs. 2,55,000, which is Rs. 5,000 in excess of the revised estimate for 1885-86 and Rs. 16,000 higher than the reduced grant for 1885-86.

101. *Civil Buildings, &c., in charge of Public Works Department.*—The grant for 1886-87 will be reduced by 4 lakhs, or from Rs. 25,00,000 to Rs. 21,00,000; the reduced grant will be Rs. 1,74,000 in excess of the revised budget for 1885-86, and Rs. 91,000 higher than the reduced grant for the same year.

102. SUMMARY.—The sum of these additions and reductions is as follows:—

	RS.
A. Receipts—	
(1) Stamps	50,000
(2) Registration	37,500
B. Grants—	
(1) Police	75,000
(2) Marine	20,000
(3) Irrigation and Navigation	1,00,000
(4) Works—	
(*a*) Civil officers	1,00,000
(*b*) Department Public Works	4,00,000
Total ..	7,82,500

103. The deficit that would result from the permanent retention by the Government of India of the Rs. 11,44,000 surrendered to them last year being (supra para. 81) Rs. 7,22,000, the modifications now ordered establish equilibrium and leave a surplus of Rs. 60,000, but the revision of Revenue establishments, Rs. 4,50,000 provided for which in the budget of 1885-86 were included in the surrenders to the Government of India, must remain in abeyance.

104. The result of these modifications is that the receipts of the budget estimate for 1886-87 will be raised from Rs. 245,63,000 to Rs. 246,50,000 and the expenditure reduced from Rs. 248,33,000 to Rs. 241,38,000, while the closing balance will be raised from an estimate of Rs. 21,22,000 to an estimate of Rs. 29,41,000.

(True Extract.)

W. WILSON,
Acting Chief Secretary.

To all Departments of the Secretariat.
„ the Accountant-General.

ENDORSEMENT—17th March 1886, No. 230, Financial.

Copy to the Government of India, Department of Finance and Commerce, in continuation of letter hence, No. 59, dated 19th January 1886.

W. WILSON,
Acting Chief Secretary.

Exd. T. O'Connor.

ANNEXURE.

APPENDIX A.—Abstract of the Consolidated Budget Estimate of 1886-87, as submitted by the Accountant-General.

Abstract of the consolidated Budget Estimate of 1886-87.	Actuals of 1884-85.				Budget Estimate of 1885-86.				Revised Estimate of 1885-86.				Budget Estimate of 1886-87.			
	Imperial.	Provincial.	Local.	Total	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Opening Balance ..	..	29,56,073	48,68,086	..	..	21,23,000	39,94,000	..	..	20,83,000	45,26,000	..	..	23,92,000	42,48,000	..
Receipts.																
(a) Civil accounts as per budget statement compiled by the Accountant-General.	569,83,469	232,97,261	84,83,525	887,64,255	601,44,000	241,93,000	87,76,000	931,13,000	580,09,000	240,06,000	87,32,000	907,47,000	589,32,000	241,97,000	88,29,000	919,58,000
(b) Public Works transactions as per Departmental budget.	..	1,31,924	3,445	1,35,369	..	1,49,000	6,000	1,55,000	..	1,33,000	6,000	1,39,000	..	1,34,000	6,000	1,40,000
(c) Contributions as per annexure to budget statement submitted by the Acctt.-Genl.	..	1,87,903	3,85,987	5,73,890	..	1,77,000	3,18,000	4,95,000	..	2,42,000	3,62,000	6,04,000	..	2,32,000	3,96,000	6,28,000
Total Receipts ..	569,83,469	236,17,088	88,72,957	894,73,514	601,44,000	245,19,000	91,00,000	937,63,000	580,09,000	243,81,000	91,00,000	914,90,000	589,32,000	245,63,000	92,31,000	927,26,000
Grand Total ..	..	265,73,161	137,61,043	..	..	266,42,000	130,94,000	..	..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..
Charges.																
(a) Civil accounts as per budget statement of the Acctt.-Genl.	98,40,569	212,38,880	88,51,833	399,31,282	95,79,000	217,03,000	91,55,000	404,37,000	89,19,000	212,30,000	89,27,000	390,76,000	94,12,000	215,41,000	90,42,000	399,95,000
(b) Public Works transactions as per Departmental budget.	..	29,80,872	79,876	30,60,748	..	27,00,000	1,30,000	28,30,000	..	25,94,000	95,000	26,89,000	..	30,00,000	1,31,000	31,31,000
(c) Contributions as per annexure to budget statement submitted by the Acctt.-Genl.	..	2,70,171	3,03,719	5,73,890	..	2,04,000	2,91,000	4,95,000	..	2,48,000	3,56,000	6,04,000	..	2,92,000	3,36,000	6,28,000
Total Charges ..	98,40,569	244,89,923	92,35,428	435,65,920	95,79,000	246,07,000	95,76,000	437,62,000	89,19,000	240,72,000	93,78,000	423,69,000	94,12,000	248,33,000	95,09,000	437,54,000
Closing Balance ..	..	20,83,238	45,25,615	..	..	20,35,000	35,18,000	..	..	23,92,000	42,48,000	..	..	21,22,000	39,70,000	..

APPENDIX B.—Detailed Account of Imperial, Provincial, and Local Revenues

Revenue.	Actuals, 1884-85.				Revised Estimate, 1885-86.				Budget Estimate, 1886-87.			
	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Opening Balance	..	29,56,073	44,00,186 *4,87,900	..	..	20,83,000	45,26,000	..	..	23,92,200	42,48,000	..
Principal Heads of Revenue.												
I. Land Revenue	306,06,997	131,50,023	10,69,045	448,26,065	318,72,000	131,28,000	10,79,000	460,79,000	323,08,000	133,92,000	10,75,000	467,75,000
III. Salt	137,53,694	45,101	..	137,98,795	130,66,000	1,37,000	..	132,03,000	134,76,000	1,37,000	..	136,13,000
IV. Stamps	28,24,516	28,24,516	..	56,49,032	28,25,000	28,25,000	..	56,50,000	28,25,000	28,25,000	..	56,50,000
V. Excise	38,66,317	38,66,318	..	77,32,635	43,70,000	43,70,000	..	87,40,000	42,40,000	42,40,000	..	84,80,000
VI. Provincial Rates	..	..	61,33,732	61,33,732	..	..	63,03,000	63,03,000	..	..	64,37,000	64,37,000
VII. Customs	9,72,609	24,524	..	9,97,133	9,00,000	27,000	..	9,27,000	10,70,000	27,000	..	10,97,000
VIII. Assessed Taxes	2,16,381	2,16,381	..	4,32,762	2,30,000	2,30,000	..	4,60,000	2,30,000	2,30,000	..	4,60,000
IX. Forest	..	11,66,914	..	11,66,914	..	12,22,000	..	12,22,000	..	13,10,000	..	13,10,000
X. Registration	3,79,204	3,79,203	..	7,58,407	4,12,000	4,13,000	..	8,25,000	4,12,000	4,13,000	..	8,25,000
XI. Tributes	34,46,430	..	..	34,46,430	34,46,000	..	..	34,46,000	34,46,000	..	..	34,46,000
Post Office, Telegraph, and Mint.												
XII. Post Office	..	15	..	15	..	..	..	..	..	..	..	..
XIII. Telegraph	..	..	..	..	..	..	..	..	..	..	..	..
XIV. Mint	654	..	..	654	..	..	..	..	..	..	..	..
Receipts by Civil departments.												
XV. Law and Justice	..	6,16,369	..	6,16,369	..	5,73,000	..	5,73,000	..	5,94,000	..	5,94,000
XVI. Police	..	3,22,046	..	3,22,046	..	3,30,000	..	3,30,000	..	3,30,000	..	3,30,000
XVII. Marine	..	5,067	..	5,067	..	6,000	..	6,000	..	6,000	..	6,000
XVIII. Education	..	2,10,861	88,659	2,99,520	..	1,94,000	1,06,000	3,00,000	..	1,83,000	1,08,000	2,91,000
XIX. Medical	..	87,964	20,423	1,08,387	..	1,24,000	18,000	1,42,000	..	1,20,000	19,000	1,39,000
XX. Scientific, &c., departments	..	1,72,905	..	1,72,905	..	1,94,000	..	1,94,000	..	1,80,000	..	1,80,000
Miscellaneous.												
XXI. Interest	5,73,129	2,342	84,505	6,59,976	5,34,000	3,000	77,000	6,14,000	5,64,000	3,000	77,000	6,44,000
XXII. Superannuation	3,30,712	21,782	373	3,52,867	3,44,000	24,000	1,000	3,69,000	3,44,000	24,000	1,000	3,69,000
XXIII. Stationery, &c.	..	82,842	..	82,842	..	93,000	..	93,000	..	78,000	..	78,000
XXIV. Miscellaneous	12,826	72,729	4,28,567	5,14,122	10,000	81,000	4,63,000	5,54,000	17,000	75,000	4,27,000	5,19,000
Receipts on account of Public Works not classed as Productive.												
XXXI. Irrigation and Navigation (P.W.D.)	..	52,717	..	52,717	..	53,000	..	53,000	..	54,000	..	54,000
XXXIII. Civil Buildings, Roads and Services—												
Civil Officers	..	29,359	6,58,221	6,87,580	..	32,000	6,85,000	7,17,000	..	30,000	6,85,000	7,15,000
P. W. Officers	..	79,207	3,445	82,652	..	80,000	6,000	86,000	..	80,000	6,000	86,000
Total, Civil	569,83,469	232,97,261	84,83,525	887,64,255	580,09,000	240,06,000	87,32,000	907,47,000	589,32,000	241,97,000	88,29,000	919,58,000
Total, P.W.D.	..	1,31,924	3,445	1,35,369	..	1,33,000	6,000	1,39,000	..	1,34,000	6,000	1,40,000
Contributions	..	1,87,903	3,85,987	5,73,890	..	2,42,000	3,62,000	6,04,000	..	2,32,000	3,96,000	6,28,000
Total, Receipts	569,83,469	236,17,088	88,72,957	894,73,514	580,09,000	243,81,000	91,00,000	914,90,000	589,32,000	245,63,000	92,31,000	927,26,000
Grand Total, Provincial and Local, including Opening Balance	..	265,73,161	137,61,043	..	..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..

* Represents the value of Government Securities hitherto held by Local Fund Boards outside the Government accounts now adjusted in the accounts.

from 1884-85 to 1886-87, as submitted by the Accountant-General.

APPENDIX C.—Detailed Account of Imperial, Provincial, and

Expenditure.	Actuals 1884-85.			
	Imperial.	Provincial.	Local.	Total.
	RS.	RS.	RS.	RS.
Interest.				
1. Interest on ordinary debt	7,578	..	..	7,578
2. Interest on other obligations	8,05,829	..	11,234	8,17,063
Direct Demands on the Revenues.				
3. Refunds	1,72,425	89,552	10,680	2,72,657
4. Assignments and compensations	11,61,309	..	..	11,61,309
Charges in respect of collections.				
5. Land Revenue	..	47,42,550	31,63,667	79,06,217
7. Salt	16,31,549	..	..	16,31,549
8. Stamps	83,979	83,978	..	1,67,957
9. Excise	1,16,216	1,16,216	..	2,32,432
10. Provincial Rates	..	..	..	..
11. Customs	..	1,60,128	..	1,60,128
12. Assessed Taxes	3,487	3,487	..	6,974
13. Forest	..	8,95,454	..	8,95,454
14. Registration	2,64,419	2,64,419	..	5,28,838
Post Office, Telegraph and Mint.				
15. Post Office	..	1,11,086	..	1,11,086
Salaries and Expenses of Civil Departments.				
18. General Administration	2,96,257	10,50,850	1,23,735	14,70,842
19. Law and Justice	..	47,47,782	..	47,47,782
20. Police	31,521	38,22,745	..	38,54,266
21. Marine	..	27,294	..	27,294
22. Education	..	12,37,040	6,60,716	18,97,756
23. Ecclesiastical	3,41,861	..	..	3,41,861
24. Medical	..	11,18,521	5,50,637	16,69,158
25. Political	2,11,876	..	..	2,11,876
26. Scientific, &c., departments	9,303	3,67,714	..	3,77,017
Miscellaneous, Civil Charges.				
27. Territorial and Political Pensions.. ..	10,33,803	..	..	10,33,803
28. Civil Furlough	90,614	..	..	90,614
29. Superannuations	10,21,508	9,16,097	4,492	19,42,097
30. Stationery	1,07,133	7,59,391	..	8,66,524
31. Miscellaneous	26,596	2,82,117	4,77,858	7,86,571
Famine Relief and Insurance.				
32. Famine Relief	..	57,110	..	57,110
Expenditure on Public Works not classed as Productive.				
40. State Railways (Capital Account) (P.W.D.)	..	6,002	..	6,002
44. Irrigation and Navigation (P.W.D.) ..	..	4,44,979	..	4,44,979
46. Civil Buildings, Roads and Services—				
Civil Officers	..	3,85,349	38,48,814	42,34,163
P.W. Officers	..	25,29,891	79,876	26,09,767
Exchange.				
49. Exchange on transaction with London ..	24,23,306	..	..	24,23,306
Total Civil ..	98,40,569	212,38,880	88,51,833	399,31,282
Total P.W.D. ..	..	29,80,872	79,876	30,60,748
Contributions ..	..	2,70,171	3,03,719	5,73,890
Total Charges ..	98,40,569	244,89,923	92,35,428	435,65,920
Closing Balance ..	..	20,83,288	45,25,615	..
Grand Total (Provincial and Local) including closing balance	..	265,73,161	137,61,043	..
Provincial and Local { *Surplus* ..	..	..	..	..
Deficit ..	..	8,72,835	3,62,471	12,35,306

Local Expenditure from 1884-85 to 1886-87, as submitted by the Accountant-General.

Revised Estimate, 1885-86.				Budget Estimate, 1886-87.			
Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
8,000	..	..	8,000	9,000	..	..	9,000
8,52,000	..	11,000	8,63,000	9,04,000	..	12,000	9,16,000
1,63,000	89,000	11,000	2,63,000	1,30,000	71,000	9,000	2,10,000
11,60,000	..	..	11,60,000	11,63,000	..	..	11,63,000
..	44,95,000	31,70,000	76,65,000	..	46,18,000	31,72,000	77,90,000
16,04,000	..	..	16,04,000	17,63,000	..	..	17,63,000
80,000	80,000	..	1,60,000	80,000	80,000	..	1,60,000
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	1,68,000	..	1,68,000	..	1,68,000	..	1,68,000
3,000	4,000	..	7,000	4,000	4,000	..	8,000
..	10,18,000	..	10,18,000	..	12,10,000	..	12,10,000
2,91,000	2,90,000	..	5,81,000	3,02,000	3,02,000	..	6,04,000
..	1,09,000	..	1,09,000	..	1,07,000	..	1,07,000
3,05,000	10,78,000	1,09,000	14,92,000	3,06,000	10,53,000	1,08,000	14,67,000
..	47,43,000	..	47,43,000	..	48,94,000	..	48,94,000
24,000	38,06,000	..	38,30,000	28,000	38,51,000	..	38,79,000
..	20,000	..	20,000	..	39,000	..	39,000
..	12,47,000	6,90,000	19,37,000	..	11,46,000	6,91,000	18,37,000
3,51,000	..	..	3,51,000	3,60,000	..	..	3,60,000
..	12,04,000	5,15,000	17,19,000	..	12,27,000	5,20,000	17,47,000
2,07,000	..	..	2,07,000	2,03,000	..	..	2,03,000
12,000	3,59,000	..	3,71,000	27,000	3,84,000	..	4,11,000
10,34,000	..	..	10,34,000	11,00,000	..	..	11,00,000
2,000	..	..	2,000	..	..	..	..
10,62,000	9,53,000	5,000	20,20,000	10,77,000	9,76,000	5,000	20,58,000
1,00,000	7,60,000	..	8,60,000	2,99,000	7,72,000	..	10,71,000
29,000	2,77,000	4,91,000	7,97,000	25,000	2,74,000	4,75,000	7,74,000
..	2,80,000	..	2,80,000	..	10,000	..	10,000
..	37,000	..	37,000	..	34,000	..	34,000
..	6,31,000	..	6,31,000	..	4,66,000	..	4,66,000
..	2,50,000	39,25,000	41,75,000	..	3,55,000	40,50,000	44,05,000
..	19,26,000	95,000	20,21,000	..	25,00,000	1,31,000	26,31,000
16,32,000	..	..	16,32,000	16,32,000	..	..	16,32,000
89,19,000	212,30,000	89,27,000	390,76,000	94,12,000	215,41,000	90,42,000	399,95,000
..	25,94,000	95,000	26,89,000	..	30,00,000	1,31,000	31,31,000
..	2,48,000	3,56,000	6,04,000	..	2,92,000	3,36,000	6,28,000
89,19,000	240,72,000	93,78,000	423,69,000	94,12,000	248,33,000	95,09,000	437,54,000
..	23,92,000	42,48,000	..	..	21,22,000	39,70,000	..
..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..
..	3,09,000	..	31,000	..	..	..	..
..	..	2,78,000	..	..	2,70,000	2,78,000	5,48,000

APPENDIX D.—Abstract Statement of Provincial Services from

No.	Receipts.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Budget estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
		RS.	RS.	RS.	RS.	RS.	RS.
	Opening balance ..	17,42,604	28,26,806	29,56,073	21,23,000	20,83,000	24,29,000
I..	Land Revenue ..	137,21,437	137,82,187	131,50,023	137,67,000	131,28,000	133,92,000
III..	Salt	25,348	38,337	45,101	58,000	1,37,000	1,37,000
IV..	Stamps	26,04,185	28,12,431	28,24,516	28,25,000	28,50,000	28,75,000
V..	Excise	32,29,209	33,05,992	38,66,318	41,13,000	43,70,000	42,40,000
VII..	Customs	38,009	40,495	24,524	30,000	27,000	27,000
VIII..	Assessed taxes ..	2,30,18	2,33,137	2,16,381	2,35,000	2,30,000	2,30,000
IX..	Forest	9,06,442	9,53,704	11,66,914	12,22,000	12,22,000	13,10,000
X..	Registration	2,89,723	3,16,034	3,79,203	3,50,000	4,25,000	4,50,000
XII..	Post office	..	3	15	..	..	..
XV..	Law and Justice ..	7,49,603	5,80,753	6,16,369	5,96,000	5,73,000	5,94,000
XVI..	Police	3,74,362	3,30,672	3,22,046	3,10,000	3,30,000	3,30,000
XVII..	Marine	5,311	5,446	5,067	6,000	6,000	6,000
XVIII.	Education	1,89,299	2,12,823	2,10,861	2,31,000	1,94,000	1,83,000
XIX..	Medical	61,909	1,08,166	87,964	90,000	1,24,000	1,20,000
XX..	Scientific, &c., depts. ..	1,94,860	1,57,008	1,72,905	1,64,000	1,94,000	1,80,000
XXI..	Interest	2,342	3,294	2,342	3,000	3,000	3,000
XXII .	Superannuation ..	56,173	23,279	21,782	26,000	24,000	24,000
XXIII.	Stationery Printing ..	81,950	72,877	82,842	74,000	93,000	78,000
XXIV.	Miscellaneous	75,960	79,059	72,729	63,000	81,000	75,000
XXXI..	Irrigation and Navigation (P.W.D.) ..	1,40,463	55,683	52,717	49,000	53,000	54,000
XXXIII	Civil Buildings, &c.— Civil Officers ..	6,279	9,967	29,359	30,000	32,000	30,000
	P.W.D	72,859	1,36,678	79,207	1,00,000	80,000	80,000
	Total Civil ..	228,42,584	230,65,664	232,97,261	241,93,000	240,43,000	242,84,000
	Total P.W.D. ..	2,13,322	1,92,361	1,31,924	1,49,000	1,33,000	1,34,000
	Contributions from Local	5,73,826	2,36,145	1,87,903	1,77,000	2,42,000	2,32,000
	Total Receipts ..	236,29,732	234,94,170	236,17,088	245,19,000	244,18,000	246,50,000
	Add balances of abolished Local Funds ..	..	34,742	..	..	..	..
	Grand Total, including opening balance ..	253,72,336	263,55,718	265,73,161	266,42,000	265,01,000	270,79,000

1882-83 to 1886-87, with the estimates as now modified by Government.

No.	Charges.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Budget estimate, 1885-86 *.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
		RS.	RS.	RS.	RS.	RS.	RS.
3	Refunds	99,213	1,77,596	89,552	72,000	89,000	71,000
5	Land Revenue	43,79,975	45,67,890	47,42,550	45,10,000	44,95,000	46,18,000
8	Stamps	71,402	77,602	83,978	80,000	80,000	80,000
9	Excise	98,658	99,734	1,16,216	1,27,000	..	..
11	Customs	1,85,415	1,70,005	1,60,128	1,70,000	1,68,000	1,68,000
12	Assessed taxes	2,827	3,399	3,487	5,000	4,000	4,000
13	Forest	6,44,865	7,85,690	8,05,454	10,22,000	10,18,000	12,10,000
14	Registration	2,25,789	2,41,316	2,64,419	2,76,000	2,90,000	3,02,000
15	Post office	1,05,294	1,18,466	1,11,086	1,07,000	1,09,000	1,07,000
18	General Administration ..	10,54,188	10,07,351	10,50,850	10,10,000	10,78,000	10,53,000
19	Law and Justice	47,34,996	46,63,809	47,47,782	47,78,000	47,43,000	48,94,000
20	Police	37,52,473	37,84,108	38,22,745	38,28,000	38,06,000	37,76,000
21	Marine	5,311	8,168	27,294	18,000	20,000	19,000
22	Education	11,0[illegible],397	11,65,490	12,37,040	11,09,000	12,47,000	11,46,000
24	Medical	10,22,783	10,85,091	11,18,521	11,42,000	12,04,000	12,27,000
26	Scientific, &c., departments.	5,18,194	3,97,608	3,67,714	3,67,000	3,59,000	3,84,000
29	Superannuation	8,40,274	8,61,750	9,16,097	9,19,000	9,53,000	9,76,000
30	Stationery and Printing ..	7,25,495	8,51,265	7,59,391	7,46,000	7,60,000	7,72,000
31	Miscellaneous	2,77,363	2,58,645	2,82,117	2,45,000	2,77,000	2,74,000
32	Famine relief	1,35,319	32,023	57,110	80,000	2,80,000	10,000
40	State Railways Capital Account (P.W.D.)	7,941	11,720	6,002	37,000	37,000	34,000
44	Irrigation and Navigation (P.W.D.)	3,53,102	3,33,244	4,44,979	3,63,000	6,31,000	3,66,000
46	Civil Buildings, &c.— Civil officers	2,84,747	2,64,611	3,85,349	2,39,000	2,50,000	2,55,000
	P.W.D.	17,16,768	21,95,793	25,29,891	20,09,000	19,26,000	21,00,000
	Total Civil ..	202,70,978	206,21,617	212,38,880	208,50,000	212,30,000	213,46,000
	Total P.W.D. ..	20,77,811	25,40,757	29,80,872	24,09,000	25,94,000	25,00,000
	Contributions to Local ..	1,96,741	2,37,271	2,70,171	2,04,000	2,48,000	2,92,000
	Total charges ..	225,45,530	233,99,645	244,89,923	*234,63,000	240,72,000	241,38,000
	Closing Balance ..	28,26,806	29,56,073	20,83,238	† 31,79,000	24,29,000	29,41,000
	Grand Total including opening balance ..	253,72,336	263,55,718	265,73,161	266,42,000	265,01,000	270,79,000

* Exclusive of .. } Rs. 11,44,000 surrendered to the Government of India, viz.:—
† Inclusive of .. }

Land revenue ..	Rs. 5,42,000	Marine	Rs. 1,15,000	Public Works, Civil ..	Rs. 63,000
Forest	,, 1,00,000	Minor departments ..	,, 33,000	Do. Deptl. ..	,, 2,91,000

PROVINCIAL

APPENDIX E.—Annual accounts of the Revenue and Expenditure

No.	Receipts.	Budget estimate of 1884-85.	Actuals, 1884-85.	Increase.	Decrease.	Cause of variation.
		RS.	RS.	RS.	RS.	
I..	Land Revenue	136,11,000	131,50,023	..	(a) 4,60,977	(a) Unfavorable character of the season owing to the failure of monsoons, and destructive floods.
III..	Salt	36,000	45,101	9,101	..	
IV..	Stamps	28,25,000	28,24,516	..	484	(b) Introduction of new system of Abkári administration from 1st October 1884.
V..	Excise	32,87,000	38,66,318	(b) 5,79,318	..	
VII..	Customs	30,000	24,524	..	5,476	(c) Decrease of arrears.
VIII..	Assessed taxes	2,35,000	2,16,381	..	(c) 18,619	(d) Revision of seignorage rates, better organisation of the permit system and increased demand for timber.
IX..	Forest	10,36,000	11,66,914	(d) 1,30,914	..	
X..	Registration	3,15,000	3,79,203	(e) 64,203	..	(e) Progress of departmental operations and revision of scale of fees from 1st May 1884.
XII..	Post Office	..	15	15	..	
XV..	Law and Justice ..	6,87,000	6,16,369	..	(f) 70,631	(f) Restriction of jail manufactures.
XVI..	Police	3,73,000	3,22,046	..	(g) 50,954	(g) Withdrawal of the Marine Police Act I of 1881.
XVII..	Marine	6,000	5,067	..	933	(h) Transfer of middle school education to municipal funds, and fewer sales of manufactures in the School of Arts.
XVIII..	Education	2,60,000	2,10,861	..	(h) 49,139	
XIX..	Medical	81,000	87,964	6,964	..	
XX..	Scientific, &c., departments.	1,16,000	1,72,905	(i) 56,905	..	(i) Increased sales and better prices of cinchona bark.
XXI..	Interest	3,000	2,342	..	653	(j) Transfer to the India accounts of pensionary contributions received from Maisur officers.
XXII..	Superannuation ..	40,000	21,782	..	(j) 18,218	(k) Sale of Acts, printed copies of Judgments, &c.
XXIII..	Stationery and Printing.	70,000	82,842	(k) 12,842	..	(l) Receipts from tolls in the Buckingham Canal.
XXIV..	Miscellaneous	70,000	72,729	2,729	..	(m) Rent of Police huts transferred to Provincial from Police Lodging Fund.
XXXI..	Irrigation and Navigation.	39,000	52,717	(l) 13,717	..	(n) Restriction of operations in the Public Works Workshops, Madras.
XXXIII.	Civil Buildings, &c.—					(o) Loan given to the Village Service fund for clearing off deficits not repaid as expected.
	Civil Officers ..	7,000	29,359	(m) 22,359	..	(p) Larger collections of arrears of Land Revenue in 1883-84.
	Public Works Officers.	1,97,000	79,207	..	(n) 1,17,793	
	Contributions	2,23,000	1,87,903	..	(o) 35,097	
	Total Receipts ..	235,47,000	236,17,088	8,99,067	8,28,979	
				70,088		
	Opening Balance ..	20,40,000	29,56,073	(p) 9,16,073	..	
	Grand Total ..	255,87,000	265,73,161	9,86,161	..	

SERVICES.

of 1884-85, comparing the Actuals with the Estimates.

No.	Charges.	Budget estimate of 1884-85.	Actuals, 1884-85.	Increase.	Decrease.	Causes of variation.
		RS.	RS.	RS.	RS.	
3	Refunds	71,000	89,552	(a) 18,552	..	(a) Large repayments of excess collections under Land revenue and Excise.
5	Land Revenue	47,20,000	47,42,550	(b) 22,550	..	(b) Increased charges under Collectors and Deputy Collectors.
8	Stamps	79,000	83,978	4,978	..	
9	Excise	1,05,000	1,16,216	(c) 11,216	..	(c) Reorganisation of the department under the Commissioner of Salt Revenue.
11	Customs	1,80,000	1,60,128	..	(d) 19,872	
12	Assessed taxes	4,000	3,487	..	513	(d) Savings under establishments and contingencies.
13	Forest	9,86,000	8,95,454	..	(e) 90,546	
14	Registration	2,50,000	2,64,419	(f) 14,419	..	(e) Smaller expenditure under demarcation and improvement of forests.
15	Post Office	1,06,000	1,11,086	5,086	..	
18	General Administration ..	10,15,000	10,50,850	(g) 35,850	..	(f) Commission to Registrars and Sub-Registrars.
19	Law and Justice	48,41,000	47,47,782	..	(h) 93,218	(g) Privilege leave allowances, &c.
20	Police	38,48,000	38,22,745	..	(i) 25,255	(h) Jail manufactures and contingencies.
21	Marine	11,000	27,294	(j) 16,294	..	(i) Reductions in the Marine Police.
22	Education	11,60,000	12,37,040	(k) 77,040	..	(j) Writebacks of excess debits against Port funds in previous years.
24	Medical	11,10,000	11,18,521	8,521	..	(k) Grants-in-aid and results grants.
26	Scientific, &c., departments.	3,63,000	3,67,714	4,714	..	(l) Larger retirements in various departments.
29	Superannuation, &c. ..	8,82,000	9,16,097	(l) 34,097	..	(m) Enhanced scale of rewards for the destruction of wild animals.
30	Stationery and Printing ..	7,50,000	7,59,391	9,391	..	(n) Famine advances written off as irrecoverable, Relief works on the Hindupur Railway, and improvement of the water-supply in several districts.
31	Miscellaneous	2,10,000	2,82,117	(m) 72,117	..	(o) Transfer of outlay on certain project divisions from Imperial to Provincial.
32	Famine relief	..	57,110	(n) 57,110	..	(p) Grants to Madras Municipality for diversion of drains from the Cooum river, &c.
40	State Railways (Capital acct.)	12,000	6,002	..	5,998	(q) Increased expenditure on public offices, roads, &c.
44	Irrigation and Navigation ..	3,50,000	4,44,979	(o) 94,979	..	(r) Grants to the Village Service fund for clearing off deficits, to the South Arcot Local Fund Board for damages by floods and to the Nilgiri Local Fund Board for roads.
46	Civil Buildings, &c.—					
	Civil Officers	2,67,000	3,85,349	(p) 1,18,349	..	
	Public Work Officers ..	22,40,000	25,29,891	(q) 2,89,891	..	
	Contributions	1,15,000	2,70,171	(r) 1,55,171	..	
	Total Charges ..	236,75,000	244,89,923	10,50,325	2,35,402	
				8,14,923		
	Closing Balance ..	19,12,000	20,83,238	1,71,238	..	
	Grand Total ..	255,87,000	265,73,161	9,86,161	..	

Appendix F showing to what extent the Land Revenue percentage of each year is modified by adjustments between Imperial and Provincial.

Contributions between Imperial and Provincial.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Govt. of India Resolution, Finl. No.	Govt. of India Resolution, Finl. Date.	Madras Govt. Order, Finl. No.	Madras Govt. Order, Finl. Date.
	Rs.	Rs.	Rs.	Rs.	Rs.				
Total Land Revenue—Imperial and Provincial	471,16,866	474,11,905	437,57,020	450,00,000	457,00,000	..	....	..	....
Provincial share calculated at 28·8073 per cent.	135,75,992	136,58,090	126,05,216	129,63,000	131,65,000	1637	17th March 1882 ..	393	29th May 1882.
						1008	11th May ,, ..	277	22nd May ,,
						319	18th January 1883..	218	6th February 1883.
Add—									
Contributions from Imperial to Provincial on account of—									
The Tanjore Irrigation Survey (Rs. 3,54,000)	34,000	1,20,000	2,00,000	..	..	636	5th February 1883.	..	....
						3462	27th September ,, ..	2285	8th October 1883.
						429	26th January 1885..	225	3rd February 1885.
Administrative improvements (Rs. 24,00,000)	* 6,50,000	2,50,000	5,00,000	5,00,000	5,00,000	537	30th ,, 1883..	251	9th February 1883.
								369	16th ,, ,,
Record-room receipts and charges (stamps for copies)	..	67,000	95,000	95,000	95,000	3700	2nd October 1884..	Mis. 2436	15th October 1884.
						1941	4th December ,, ..	..	....
Altered rate of exchange on stationery debits (Rs. 10 to 12 a £)..	(a) 65,000	65,000	65,000	65,000	65,000	1008	11th May 1882 ..	277	22nd May 1882.
Conservation of ancient monuments	..	..	5,000	..	..	594	4th February 1885.	Mis. 339*	17th February 1885.
Interprovincial adjustments—Rule 18, Chap. 68, C. A. C. ..	— 639	6,130	5,493	7,000	6,000	3520	27th October 1880 ..	..	....
Supply of medicines free of cost to Govt. servants at Ootacamund.	..	..	360	360	360	217-B	15th March 1884 ..	Mily. 1687	8th April 1884.
Maintenance of Bangalore prisoners in Madras jails	..	..	..	3,000	2,000	477	11th December 1885.	Judl. 545	27th February 1885.
Refund to Local for executing Imperial roads and bridges ..	25,424	..	..	..	..	1756	30th June 1883 ..	Mis. 1516	17th July 1883.
Total additions ..	7,73,785	5,08,180	8,70,853	6,70,360	6,68,360	..	....	..	....
Deduct—									
Payments from Provincial to Imperial on account of—									
Refund of contribution received for the Tanjore Survey ..	..	..	1,00,000	1,00,000	(b)1,31,897	..	....	2586	10th November 1884.
						429	26th January 1885..	225	3rd February 1885.
Madras Water works adjustment	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	I-423	8th November 1882.	826	29th July 1882.
Interest on do. at 4 per cent. (Rs. 6,45,992 outstanding	..	† 25,840	17,840	13,840	9,840	11	31st March 1884 ..	W 1771	18th November 1882.
on 1st April 1882)	..	‡ 21,840						Mis. 885	4th May 1883.
Savings in Customs establishments..	28,000	42,552	42,552	42,552	42,552	4888	15th November 1882.	542	22nd June 1882.
								1790	25th November 1882.
						..	....	1115	5th September ,,
Salary of Inspector of Local Fund Accounts recovered from	..	† 11,061	12,000	12,000	12,000	521	27th January 1883..	424	22nd February 1883.
Local Funds		‡ 12,067				262	16th ,, 1885..	..	January 1885.
School of Ordnance Artificers	..	..	3,800	3,800	3,800	1017	20th May 1884 ..	1671	29th May 1884.
								247	2nd February 1884.
Refund by Local Funds of Famine outlay (Rs. 5,67,000) ..	4,10,238	62,464	45,817	33,000	15,481	3664	9th September 1882.	436	8th June 1882.
								369	16th February 1883.
Excise charges (Provl.) debited to Salt in the first instance ..	..	..	..	1,79,000	1,22,000	2768	21st August 1885 ..	Rev. 1091	25th September 1885.
Census charges in excess of the Imperial allotment of Rs. 1,70,000.	90,102	..	..	..	..	537	30th January 1883..	669	31st March 1883.
Subscriptions to the Indian Civil Service Family Pension Fund.	..	..	† 686	..	..	..	....	..	....
			‡ 2,614						
Cinchona Home transactions	..	† 1,03,324	..	17,000	..	C.G. 860	2nd August 1884 ..	..	....
Local Fund contribution for Imperial works	..	4,935	737	4,168	3,790	..	....	..	....
Total deductions ..	6,28,340	3,84,083	3,26,046	5,05,360	4,41,360	..	....	..	....
Net addition ..	1,45,445	1,24,097	5,44,807	1,65,000	2,27,000	..	....	..	....
Actual Provincial share of Land Revenue ..	137,21,437	137,82,187	131,50,023	131,28,000	133,92,000	..	....	..	....

* Compensation for loss of revenue under "Municipal contributions for Police" and "Famine outlay recovered from Local Funds." † For 1882-83. ‡ For 1883-84.
(a) Raised from Rs. 3,92,000 to Rs. 4,57,000 for 1882-83. (b) Deducting Rs. 22,103 the extra cost entailed by an Irrigation survey instead of a Revenue survey on the ordinary plan.

Appendix G.—Statement comparing the real Revenue under Salt in each year (including credit sales) with the actual cash realizations.

Salt revenue.	Actuals. 1878-79.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Credit sales of the previous year recovered in the year .. .. Excise	..	..	..	..	..	39,732	5,03,712	8,92,000	6,24,400	22,21,800
Monopoly	16,17,263	18,02,677	17,71,971	18,42,390	22,91,093	21,80,604	22,41,600	26,51,200	24,37,000	16,88,900
Total, A ..	16,17,263	18,02,677	17,71,971	18,42,390	22,91,093	22,20,336	27,45,312	35,43,200	30,61,400	39,10,700
Credit sales of the first 6 months recovered within the year .. Excise	..	..	..	..	..	2,40,588	5,16,997	11,99,700	21,39,400	30,10,800
Monopoly	17,84,835	20,12,448	23,03,767	24,60,261	23,94,987	24,37,542	29,11,404	19,52,100	16,26,000	9,83,200
Total, B ..	17,84,835	20,12,448	23,03,767	24,60,261	23,94,987	26,78,130	34,28,401	31,51,800	37,65,400	39,94,000
Credit sales of the last 6 months outstanding at the end of the year .. .. Excise	..	..	..	..	39,732	5,03,712	6,24,429	13,85,900	22,21,800	31,33,800
Monopoly	18,02,677	17,71,971	18,42,390	22,91,093	21,80,604	22,41,600	24,36,956	22,54,900	16,88,900	10,23,700
Total, C ..	18,02,677	17,71,971	18,42,390	22,91,093	22,20,336	27,45,312	30,61,385	36,40,800	39,10,700	41,57,500
Total credit sales of each year .. Excise	..	..	..	..	39,732	7,44,300	11,41,426	25,85,600	43,61,200	61,44,600
Monopoly	35,87,512	37,84,419	41,46,157	47,51,354	45,75,591	46,79,142	53,48,360	42,07,000	33,14,900	20,06,900
Total, D = B + C ..	35,87,512	37,84,419	41,46,157	47,51,354	46,15,323	54,23,442	64,89,786	67,92,600	76,76,100	81,51,500
Total cash sales of each year .. Excise	42,651	50,171	23,978	1,23,143	4,21,789	6,35,922	20,85,136	29,34,400	36,06,800	41,89,400
Monopoly	105,77,220	115,27,854	112,74,015	101,78,880	87,15,434	81,76,951	54,15,322	46,61,600	25,18,000	12,64,600
Total, E ..	106,19,871	115,78,025	112,97,993	103,02,023	91,37,223	88,12,873	75,00,458	75,96,000	61,24,800	54,54,000
Miscellaneous items—*Imperial.* Monopoly — Issues to French Govt..	9,073	6,333	1,499	13,243	15,230	5,867	8,983	10,000	10,400	10,800
Do. for fish-curing ..	2,188	2,517	4,621	5,415	9,027	35,905	57,354	92,000	92,500	1,04,500
Do. for export by sea..	* ..	*1,550	* 625	* 125	2,756	61,416	11,355	...	9,500	..
	38,299	82,108	55,462	25,865						
Customs duty	5,17,744	2,42,469	1,82,906	57,498	32,861	2,261	1,831	2,000	2,000	2,000
Total, F ..	5,67,304	3,34,977	2,45,113	1,02,146	59,874	1,05,449	79,523	1,04,000	1,14,400	1,17,300
Miscellaneous receipts—*Provincial.* Including Excise cess, G. ..	43,046	45,734	24,515	22,345	25,348	38,371	45,101	58,000	1,37,000	1,37,000
Real revenue of each year, D, E, F, and G. .. .. .. Excise	42,651	51,721	24,603	1,23,268	4,61,521	13,80,222	32,26,562	55,20,000	79,68,000	103,34,000
Monopoly	147,75,082	156,91,434	156,89,175	150,54,600	133,76,247	129,99,913	108,88,306	90,30,600	60,84,300	35,25,800
Total ..	148,17,733	157,43,155	157,13,778	151,77,861	138,37,768	143,80,135	141,14,868	145,50,600	140,52,300	138,59,800
Actual cash realizations, A, B, E, F, and G. .. .. .. Excise	42,651	51,721	24,603	1,23,268	4,21,789	9,16,242	31,05,845	50,26,100	63,70,600	94,22,000
Monopoly	145,89,494	156,81,674	156,18,756	146,05,897	134,86,736	129,38,917	106,92,950	94,26,900	68,32,400	41,91,000
Total ..	146,32,145	157,33,395	156,43,359	147,29,165	139,08,525	138,55,159	137,98,795	144,53,000	132,03,000	136,13,000

* Excise.

No. 836 Wdf March 26. 1886.

Recorded

Signed J. H. W

Govt. of {1886} Madras.

FINANCIAL.

Issued

Recd. *Encl.*

G.O., &c., 17th March 1886, Nos. 229, 230.

No. 836 Wdf March 26. 1886

MARCH.

Chief Engr. for Advn Engr P.W. Secty

Budgets.

Reviewing the consolidated budget estimate for 1886-87.

With order

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

READ—the following papers :—

Combined consolidated abstract of revenue and receipts for March 1883, from Accountant-General, dated 10th August 1883.

Combined consolidated abstract of expenditure, dated 10th August 1883.

Final account of Provincial Services for March 1883, from Accountant-General, dated 2nd October 1883.

Proceedings of Government, Public Works department, dated 27th December 1883, No. 1074 I.

Civil budget estimates for 1884-85, from Accountant-General, with annexed statements, dated 15th and 16th January 1884.

ORDER—dated 19th January 1884, No. 136, Financial.

The consolidated civil budget estimate for the year 1884-85, submitted by the Accountant-General, shows that the estimated revenue and receipts exceed the revised estimate for the current year by Rs. 6,12,900; while they fall below the actuals for 1882-83 by Rs. 7,08,429. Full information in regard to the variations under the several heads is given by the Accountant-General. The most noteworthy differences are under the following heads :—

	More.	Less.
	Rs.	Rs.
I. Land Revenue	..	21,00,000
III. Salt	8,80,000	..
IV. Stamps	2,50,000	..
IX. Forest	1,30,000	..
XXIV. Miscellaneous	1,50,000	..

2. The estimated charges exceed the revised estimate for the current year by Rs. 3,55,000, the chief increases being under the heads " Land Revenue," " Salt," " Forest," " Civil Buildings, Roads and Services," while under the heads " Exchange on transactions with London " and " Refunds and drawbacks " there is a large decrease. As compared with the actual expenditure in 1882-83, the estimates show an advance of upwards of Rs. 18,00,000.

3. The estimate will be forwarded to the Government of India with such modifications in regard to Provincial or semi-Provincial heads of services as may be noted below.

4. *Provincial Services—Accounts of* 1882-83.—The year 1882-83, the first of the new Provincial contract, opened with a balance of Rs. 17,42,604. The receipts during the twelve-month amounted to Rs. 234,16,410 and the charges to Rs. 223,32,207. Adding the opening balance to the difference between these, the closing balance and opening balance for 1883-84 amounted to Rs. 28,26,807.

Revised estimate for 1883-84.—The revised estimate of receipts for the current year based on the actuals of the first 8 months of the year is fixed at Rs. 227,10,600, and that of the charges at Rs. 232,22,000, or Rs. 5,11,400 more than the receipts. As compared with the budget estimate the chief differences are shown below:—

RECEIPTS.

	More.	Less.
	RS.	RS.
I. Land Revenue	61,000	..
V. Excise	..	50,000
XV. Law and Justice	..	1,16,000
XX. Scientific and other minor departments ..	1,07,000	..
XXIV. Miscellaneous	1,63,000	..
Contributions	..	85,000

CHARGES.

	More.	Less.
	RS.	RS.
3. Refunds and drawbacks	1,10,000	..
5. Land Revenue	1,56,000	..
19. Law and Justice	..	1,40,000
20. Police	..	68,000
30. Stationery and printing	51,000	..
31. Miscellaneous	1,05,000	..
48. (Public works net debits)	1,72,000	..

Adding the surplus of the previous year to the receipts, the total amount at credit for the year will amount to Rs. 255,37,600, and the closing balance to Rs. 23,15,600.

Budget estimate for 1884-85.—Excluding the opening balance the receipts for the coming year are estimated at Rs. 232,67,000. This includes a special contribution of Rs. 5,00,000 from the Government of India. The receipts under Land revenue have been again fixed at the normal realisation. The Forest revenue is expected to show an increase of upwards of a lakh.

The charges, as submitted by the Accountant-General, are estimated at Rs. 235,76,900 showing an increase on the revised estimates of the current year of about Rs. 3,50,000. The chief increases occur under the heads Land revenue (3 lakhs), Forest (1½ lakh), Law and Justice (84,000), Police (½ lakh), Education (½ lakh). Under Land revenue the large increase is due chiefly to additional expenditure for the survey of Malabar, to the Tanjore survey, to the continuance of the Wynaad settlement party and to the entertainment of large extra establishments rendered necessary thereby.

Under "Forest" the increase is due to the superior and subordinate establishments working up more nearly to the sanctioned maximum and to proposed increased expenditure in demarcating, extending, and improving forests. The Government in this department are fully aware that the proposed additional expenditure in the Revenue Settlement and Forest departments may be justified from an administrative point of view, but the claims of these departments cannot be considered by themselves and apart from other pressing requirements, and when the budgets were passed it was anticipated that Government would be able to utilise the large Provincial credit balance in extending the operations of these and other departments. Now, however, the position is altered. Not only have the Government of India ruled that in the estimates for 1884-85 no increase of expenditure is to be provided for "except on grounds of the clearest necessity," and that "estimates should be framed with a strict regard to economy," but they have also required this Government to maintain a standing balance of 20 lakhs. This will shut the door to much useful expenditure which it otherwise would have been possible to sanction. His Excellency in Council, therefore, regrets that, in view of this, he must call for reduction of 2 lakhs under Land revenue and ½ lakh under Forests. It will be decided in the Revenue department how these reductions are to be carried out.

The increase under "Education" is nominal, and due to the transfer to that budget of the provision for the School of Agriculture. The increase under Police on the other hand is due to possible over-estimating, and, in ordering a reduction of half a lakh under this head, the Government believe that no undesirable restrictions will be rendered necessary.

From a communication from the Public Works department, it is learnt that the departmental estimate for the Buckingham canal included charges on account of establishment and tools and plant. As it is necessary to carry out the pledge given to the Government of India as to the annual grant of a lakh and a half of rupees on *new works* connected with the canal, an addition of Rs. 1,40,000 will now be made to this grant, and the provision for Civil Buildings, Roads and Services will be reduced by half a lakh, the amount thus made available being transferred to irrigation and navigation. To equalize the estimates of expenditure and receipts, the following additions and reductions will be made under other civil heads:—

(1) *Under Receipts.*

	RS.
Registration	5,000
Police	4,000
Education	1,000
Minor departments	15,000
Stationery and printing	10,000
Miscellaneous	3,000
Civil Buildings, Roads and Services	2,000
Total ..	40,000

(2) *Under Charges.*

	RS.
Registration	5,000
Post office	7,000
Law and Justice	7,000
General administration	5,000
Education	1,000
Medical	5,000
Stationery and printing	4,000
Miscellaneous	26,000
Total ..	60,000

The necessity for submitting this budget (received on the 16th instant) to the Government of India by the 20th at latest, renders it impossible for this Government closely to criticise the departmental estimates of receipts and charges during the current year. Nor, indeed, might it be safe to revise individual estimates; but, looking to the fact that there is a tendency, unavoidable at this period of the year, to over-estimate charges and to under-estimate receipts, the Governor in Council is disposed to consider that the financial position may be found, when the official year is closed, to be better than would now appear. Should this be the case, further allotments may be made in the course of next official year to the departments whose estimates have been above reduced.

5. The Provincial Services budget estimates will, after revision, stand as shown below:—

Revised estimate for 1883-84.

	RS.
Opening balance	28,26,807
Receipts	227,10,600
Charges	232,22,000

Estimate for 1884-85.

	RS.
Opening balance	23,15,407
Receipts	232,67,000
Charges	~~232,67,000~~ 235,07,00
Closing balance	23,15,407

C.R. 1978

6. The annexed abstract gives the actuals for 1882-83, the budget and revised estimates for 1883-84, and the estimates for 1884-85. The statement, *minus* the columns containing the estimates for 1884-85, will be published in the *Fort St. George Gazette*.

(True Extract.)

E. F. WEBSTER,
Chief Secretary.

To the Public Works department.
" Revenue department.
" Board of Revenue.
" Inspector-General of Police.
" Inspector-General of Jails.
" Inspector-General of Registration.
" Director of Public Instruction.
" Surgeon-General with the Government of Madras.
" Master Attendant, Madras.
" Superintendent, Government Press.
" Accountant-General.
" Sanitary Commissioner for Madras.

Exd. J. Wright.

ANNEXURE.

Omitting hundreds .] ABSTRACT budget estimate of Provincial Services for 1884-85. [Omitting hundreds.

Receipts.	Actuals for 1882-83.	Estimate for 1883-84.		Budget estimate for 1884-85.
		Budget estimate.	Revised estimate.	
	RS.	RS.	RS.	RS.
Opening balance	17,43	28,27	28,27	23,16
Land revenue	137,22	130,57	131,18	135,18
Salt	26	25	33	36
Stamps	26,04	27,00	27,00	27,25
Excise	32,29	33,00	32,50	32,87
Customs	38	50	44	30
Assessed taxes	2,30	2,25	2,30	2,35
Forest	9,07	9,25	9,17	10,36
Registration	2,90	3,00	3,10	3,15
Law and Justice	7,50	7,78	6,62	6,87
Police	3,75	3,29	3,46	3,50
Marine	5	18	6	6
Education	1,89	2,05	2,25	2,60
Medical	62	78	1,01	81
Scientific and other minor departments ..	1,95	99	2,06	1,16
Interest	2	3	3	3
Superannuations	56	41	40	40
Stationery and printing	82	80	70	80
Miscellaneous	75	69	2,32	2,70
Civil Buildings, Roads and Services ..	6	5	8	9
Contributions	5,73	2,95	2,10	2,23
Total ..	251,59	254,09	255,38	256,23

Charges.	Actuals for 1882-83.	Estimate for 1883-84.		Budget estimate for 1884-85.
		Budget estimate.	Revised estimate.	
	RS.	RS.	RS.	RS.
Refunds and drawbacks	99	71	1,81	71
Land revenue	43,80	44,32	45,88	47,11
Stamps	72	75	72	74
Excise	99	1,05	1,05	1,05
Customs	1,86	1,83	1,73	1,80
Assessed taxes	3	5	3	4
Forest	6,45	9,21	8,79	9,86
Registration	2,26	2,35	2,40	+ 2,50
Post office	1,05	1,13	~~5,01~~ 1,05	1,06
General administration	10,54	10,03	10,10	10,15
Law and Justice	47,35	48,03	46,63	47,40
Police	37,52	38,93	38,25	38,26
Marine	5	7	9	11
Education	11,06	10,90	11,04	11,60
Medical	10,23	10,58	10,79	11,10
Scientific and minor departments	5,18	4,16	3,71	3,63
Superannuations	8,40	8,61	8,64	8,82
Stationery and printing	7,26	6,97	7,48	7,50
Miscellaneous	2,77	2,27	3,32	3,30
Famine relief	1,35	..	42	..
Civil Buildings, Roads and Services	2,84	2,70	2,67	2,65
Net Public works debits	18,65	22,37	24,09	22,53
Contributions	1,97	1,40	1,53	1,15
Closing balance	28,27	25,67	23,16	23,16
Total ..	251,59	254,09	255,38	256,23

+ C.No 1778

E. F. WEBSTER,
Chief Secretary.

PROVINCIAL SERVICES.

ANNUAL account of the revenue for 1882-83, comparing the actuals with the estimates.

No.	Heads of receipt.	Budget estimate, 1882-83.	Actual revenue and receipts, 1882-83.	More than estimate.	Less than estimate.
		RS.	RS. A. P.	RS. A. P.	RS. A. P.
I ..	Land revenue ..	130,54,000	137,25,042 3 9	6,71,042 3 9	..
III ..	Forest	7,50,000	9,06,441 11 7	1,56,441 11 7	..
IV ..	Excise on spirits and drugs	30,50,000	32,29,209 5 5	1,79,209 5 5	..
V ..	Assessed taxes ..	2,35,000	2,30,182 9 0	..	4,817 7 0
VII ..	Customs	50,000	37,777 12 8	..	12,222 3 4
VIII ..	Salt	19,000	25,348 6 7	6,348 6 7	..
X ..	Stamps	27,00,000	26,04,186 0 6	..	95,813 15 6
XI ..	Registration ..	2,95,000	2,89,722 13 9	..	5,277 2 3
XV ..	Minor departments.	1,08,000	1,94,860 3 3	86,860 3 3	..
XVI ..	Law and Justice ..	6,68,000	6,63,644 9 2	..	4,355 6 10
XVII ..	Police	3,16,000	1,65,633 8 1	..	1,50,366 7 11
XVIII ..	Marine	33,000	5,311 0 11	..	27,688 15 1
XIX ..	Education	1,72,000	1,89,299 5 3	17,299 5 3	..
XX ..	Medical	84,000	61,909 0 11	..	22,090 15 1
XXI ..	Stationery and printing ..	70,000	81,761 14 10	11,751 14 10	..
XXII ..	Interest	3,000	2,342 2 0	..	657 14 0
XXIII ..	Receipts in aid of superannuation, retired and compassionate allowances.	34,000	56,172 7 2	22,172 7 2	..
XXIV ..	Miscellaneous ..	94,000	76,077 13 5	..	17,922 2 7
XXVI ..	Irrigation and navigation	1,17,000	1,40,462 15 0	23,462 15 0	..
XXVII..	Other Public works—				
	Civil officers ..	5,000	6,205 12 5	1,205 12 5	..
	Public Works officers	1,53,000	72,835 10 1	..	80,164 5 11
	Contributions ..	6,62,000	5,73,826 6 10	..	88,173 9 2
	Total receipts ..	226,72,000	233,38,253 12 7	6,66,253 12 7	..

ANNUAL account of the expenditure for 1882-83, comparing the actuals with the estimates.

No.	Heads of disbursements.	Sanctioned grant for 1882-83.	Actual expenditure in 1882-83.	More than estimate.	Less than estimate.
		RS.	RS. A. P.	RS. A. P.	RS. A. P.
3	Refunds and drawbacks.	76,000	99,212 8 0	23,212 8 0	..
4	Land revenue	42,54,000	43,79,456 10 0	1,25,456 10 0	..
5	Forest	7,23,000	6,45,210 5 8	..	77,789 10 4
6	Excise	1,01,000	98,658 7 9	..	2,341 8 3
7	Assessed taxes	4,000	2,827 7 4	..	1,172 8 8
9	Customs	2,10,000	1,85,414 10 0	..	24,585 6 0
12	Stamps	72,000	71,402 2 6	..	597 13 6
13	Registration	2,27,000	2,25,789 3 4	..	1,210 12 8
15	Post office	1,13,000	1,05,294 5 4	..	7,705 10 8
17	Administration ..	9,48,000	10,54,627 2 7	1,06,627 2 7	..
18	Minor departments ..	3,70,000	4,47,329 9 4	77,329 9 4	..
19	Law and Justice ..	48,00,000	47,36,247 4 7	..	63,752 11 5
20	Police	37,23,000	36,25,420 5 1	..	97,579 10 11
21	Marine	43,000	5,311 0 11	..	37,688 15 1
22	Education	10,66,500	11,06,396 15 7	39,896 15 7	..
24	Medical	10,50,000	10,22,782 7 10	..	27,217 8 2
25	Stationery and printing.	6,84,000	7,25,494 15 10	41,494 15 10	..
29	Superannuation, retired and compassionate allowances	8,27,000	8,40,274 4 2	13,274 4 2	..
30	Miscellaneous	2,77,000	2,77,261 15 10	261 15 10	..
31	Famine relief	..	1,35,319 3 5	1,35,319 3 5	..
33	Irrigation and navigation	2,99,000	3,53,102 0 0	54,102 0 0	..
34	Other Public works—				
	Civil officers	3,25,000	2,71,297 0 0	..	53,703 0 0
	Public Works officers.	22,26,000	16,72,186 0 0	..	5,53,814 0 0
	Contributions	1,00,000	1,62,950 1 2	62,950 1 2	..
	Total expenditure ..	225,18,500	222,49,266 2 3	..	2,69,233 13 9

E. F. WEBSTER,
Chief Secretary.

Govt. of {1884} Madras.

FINANCIAL.

Issued

Recd. *Encl.*

G.O., 19th January 1884, No. 136.

JANUARY.

Budget Estimates.

Passing orders on the consolidated Civil Budget estimate for the year 1884-85.

28TH JANUARY 1884, No. 244 W., PUBLIC WORKS.

GOVERNMENT OF MADRAS.

PUBLIC WORKS DEPARTMENT.

General.
Account.

READ—the following paper :—

Proceedings of the Madras Government, Financial Department, dated 19th January 1884, No. 136.

ORDER—dated 28th January 1884, No. 244 W., Public Works.

The preliminary issues of the Public Works budgets were prepared for the assignments made by the Financial Department in No. 2774 of the 5th December 1883. The grant made for civil buildings, roads and services, has now been reduced by Rs. 50,000, and that of the Buckingham canal, irrigation and navigation, under Provincial, augmented by Rs. 1,40,000. These alterations will be taken to account in the final issue of the budgets, which will be prepared for the following amounts :—

	RS.
For Civil Buildings, Roads and Services	22,40,000
For Irrigation and Navigation under Provincial, Buckingham Canal	3,15,000

(True Extract.)

(Signed) J. SHAW-STEWART, Colonel, R.E.,
Secretary to Govt., P.W.D.

To the Chief Engineer for Irrigation.
„ Examiner, Public Works Accounts.
„ Financial Depart.

Exd. E. Fernandez.
Spare Copies

GENERAL.
ACCOUNT.

Govt. of {1884} Madras.

PUBLIC WORKS.

Dated January, 28th.

Read. *Encl.*

G.O., 28th Jan. 1884, No. 244 W.

JANUARY.

Budget Estimates

Orders on Proceedings, Financial Department, on the consolidated Civil —, for 1884-85.

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

Read—the following papers :—

Combined consolidated abstract of revenue and receipts for March 1884, from the Accountant-General, dated 9th August 1884.
Combined consolidated abstract of expenditure, dated 9th August 1884.
Final account of Provincial Services for March 1884, from the Accountant-General, dated 30th September 1884.
Statement from the Accountant-General, dated 20th December 1884.
Proceedings of Government, Revenue department, dated 2nd January 1885, No. 5.
Letter from the Accountant-General, forwarding the Civil estimates for 1885-86, dated 13th January 1885, No. 81.
Statement from the Accountant-General, dated 16th January 1885.

Order—dated 19th January 1885, No. 105, Financial.

The revenue and expenditure in 1885-86 as estimated by the Accountant-General in his Consolidated Civil budget compare as shown below with the revised estimates for the current year :—

	Revenue.	Expenditure.
	Rs.	Rs.
1884-85	8,69,65,300	3,90,32,000
1885-86	9,22,35,400	3,94,90,350
Difference..	52,70,100	4,58,350

The variations under the following heads are specially noteworthy :—

Receipts.

	Increase.	Decrease.
	Rs.	Rs.
Land revenue	35,30,000	..
Salt	9,81,000	..
Excise	7,15,000	..
Expenditure.		
Forests	1,91,000	..

The estimate under Land Revenue for 1885-86 requires to be supplemented by an addition of Rs. 5,75,000 with reference to the Accountant-General's foot-note on page 4 of the budget.

The entries under certain heads named in Mr. Clogstoun's letter, No. 81, dated 13th January 1885, are specially brought to notice, and the Government are disposed to accept the Accountant-General's figures as they now stand. The estimates will be forwarded to the Government of India with the following remarks in regard to *Provincial* :—

Provincial Services—Accounts of 1883-84.—The official year 1883-84 (being the second year of the existing Provincial contract) opened with a credit balance of

Rs. 28,26,807. The receipts of the twelve months amounted to Rs. 233,37,103, and the charges to Rs. 232,07,284. The year therefore closed with a balance of Rupees 29,56,626.

Revised Estimate for 1884-85.—The Accountant-General calculates, with reference to the actuals of the eight months ending last November, that the revised estimate of receipts may be set down at Rs. 226,80,300 and the charges at Rs. 237,39,200. His estimate, however, allows for a refund (shown as a *minus* entry under the head *Land Revenue*) of Rs. 1,31,860 on account of the Tanjore irrigation survey, and takes no credit for the contribution of Rs. 2,00,000 originally assigned by the Government of India for the cost of the operations during the current year.

In letter, No. 2586 of the 10th November last, the Government of India were requested to permit this Government to refund past grants, *including* the contribution for this year, by instalments of one lakh in each of the years 1884-85 and 1885-86 and the balance in 1886-87, and the Governor in Council believes that he may confidently reckon on their assenting to this request. The *minus* entry on account of the refund of the net Imperial contributions for 1882-83 and 1883-84 will, therefore, be struck out and credit will be taken for a *plus* entry of Rs. 1,00,000; the sum of the receipts under *Land Revenue* being revised accordingly. The receipts under all heads will then stand at Rs. 2,29,12,160.

Adopting these figures, the current official year will close with a balance to credit of Rs. 21,29,560, *plus* the sum of the refunds from other Governments on account of *Cinchona*, which may be roughly estimated at Rs. 2,00,000. The Government of India have expressed themselves in favor of the principle of these refunds and already, it is understood, have applied for the sanction of the Secretary of State.

The chief differences between the original and revised estimates are the following:—

Revenue heads.	More.	Less.
	Rs.	Rs.
Land revenue	..	8,44,000
Excise	3,88,000	..
Forest	97,000	..
Expenditure heads.		
Forest	..	56,000
Law and Justice	..	1,35,000
Police	..	76,000
Miscellaneous	52,000	..
Contributions	56,700	..
Civil buildings (Civil officers)	98,000	..
Net Public Works debits	3,54,000	..

The falling off under *Land Revenue* receipts is due to the scanty rainfall in parts of the Presidency and to the destructive floods of the past quarter, necessitating large remissions.

In Nellore district it has been decided to postpone the collection of land revenues amounting to Rs. 5,75,000, and as remarked by the Accountant-General credit should be taken for this sum in the estimate for 1885-86.

The increased receipts from *Excise* and *Forests* are due to the development and improved arrangements in the departments concerned.

The increase in expenditure under *Public Works* is consequent on additional grants having been made last autumn at a time when there was no reason to anticipate any heavy loss under *Land Revenue*.

Budget Estimate for 1885-86.—Excluding the opening balance, the receipts for the coming year are estimated by the Accountant-General at Rs. 242,15,000. With reference, however, to previous remarks, the estimate of *Land Revenue* requires to be modified, provision being made by a *minus* entry for the repayment to *Imperial* of one lakh on account of the Tanjore Survey, while an addition of Rs. 1,65,640 (which is the Provincial share of the postponed collection of Rs. 5,75,000 in Nellore), must be

entered. With these alterations, the receipts from *Land Revenue* will stand at Rs. 137,69,740 and the total Provincial revenue at Rs. 242,80,640.

No remarks in regard to the separate heads of revenue and expenditure are necessary, as the departmental estimates have been reviewed in much detail.

2. The Government will now make the following and final alterations in the estimates of expenditure:—

(1) The grant for *Land Revenue* will be raised from Rs. 46,02,300 to Rs. 50,52,300 on account of the anticipated introduction of the scheme for revision of establishments.

(2) The grant for *Marine* will be raised from Rs. 17,600 to Rs. 1,32,600 in order to provide in part for a contribution of one lakh and a half of rupees for the purchase of a Government steamer, the capital cost of which is to be debited partly to Provincial and partly to Port funds.

(3) The grant for *Education* will be raised from Rs. 11,50,000 to Rs. 11,85,000, being five per cent. on the estimated ordinary Provincial revenue in 1885-86.

(4) The grant for *Civil buildings, roads and services* (expenditure in Civil books) will be raised from Rs. 3,02,000 to Rs. 3,35,830; this addition of Rs. 33,830 being made on account of the communications in Vizagapatam.

The Government had hoped that it would have been found possible to allot grants-in-aid to the South Arcot and other districts, where the communications have been so greatly injured by the recent floods, but the financial position does not admit of their doing so at present.

The Provincial services budget estimate will now stand as shown below:—

Revised Estimate for 1884-85.

	Rs.
Opening balance	29,56,600
Receipts	229,12,160
Charges	237,39,200

Estimate for 1885-86.

Opening balance	21,29,560
Receipts	242,80,640
Charges	244,10,200
Closing balance	20,00,000

3. The annexed abstract gives the actuals for 1883-84, the budget and revised estimates for 1884-85, and the budget estimates for 1885-86. The statement *minus* the column containing the last will be published in the *Fort St. George Gazette*.

(True Extract.)

Chief Secretary.

To the Revenue department.
" Public Works department.
" Director of Public Instruction.
" Master Attendant, Madras.
" Accountant-General.
" Government Agent, Vizagapatam.

Exd. J. Wright.

ABSTRACT budget estimate

No.	Receipts.	Actuals for 1883-84.	Estimate for 1884-85.		Budget estimate for 1885-86.
			Budget estimate.	Revised estimate.	
		RS.	RS.	RS.	RS.
	Opening balance.. ..	28,26,807	20,40,000	29,56,600	21,29,560
I..	Land revenue	137,82,740	136,11,000	1,27,66,260	137,69,740
III..	Salt	38,337	36,000	53,000	58,000
IV..	Stamps	28,12,431	28,25,000	28,12,000	28,13,000
V..	Excise	33,05,992	32,87,000	36,75,000	40,32,500
VII..	Customs	40,495	30,000	30,000	30,000
VIII..	Assessed taxes	2,33,138	2,35,000	2,30,000	2,35,000
IX..	Forest	9,53,704	10,36,000	11,33,300	12,22,400
X..	Registration	3,16,033	3,15,000	3,50,000	3,50,000
XII..	Post Office	3	..	..	..
XV..	Law and Justice.. ..	5,80,753	6,87,000	6,50,000	5,96,000
XVI..	Police	3,30,672	3,73,000	3,28,000	3,10,000
XVII..	Marine	5,446	6,000	6,000	6,000
XVIII..	Education	2,12,823	2,60,000	2,44,000	2,31,000
XIX..	Medical	1,08,166	81,000	90,000	90,000
XX..	Scientific and other minor departments	1,57,008	1,16,000	1,44,000	1,64,000
XXI..	Interest	3,294	3,000	3,000	3,000
XXII..	Superannuations.. ..	23,279	40,000	26,000	26,000
XXIII..	Stationery and printing..	72,877	70,000	74,000	74,000
XXIV..	Miscellaneous	79,059	70,000	61,000	63,000
XXXIII.	Civil Buildings, Roads and Services—Civil officers.	9,967	7,000	30,000	30,000
	Contributions	2,36,145	2,23,000	2,06,600	1,77,000
	Add balances of the abolished Educational Building, Book depôt, Bearers' fee and Police lodging funds ..	34,741	..	..	..
	Total ..	261,6[illegible],910	253,51,000	258,68,760	264,10,200

of Provincial Services for 1885-86.

No.	Charges.	Actuals for 1883-84.	Estimate for 1884-85.		Budget estimate for 1885-86.
			Budget estimate.	Revised estimate.	
		RS.	RS.	RS.	RS.
3	Refunds and drawbacks ..	1,77,596	71,000	92,000	72,000
5	Land revenue	45,67,890	47,20,000	46,76,000	50,52,300
8	Stamps	77,602	79,000	85,500	80,000
9	Excise	99,734	1,05,000	1,12,500	1,27,500
11	Customs	1,70,005	1,80,000	1,66,000	1,70,000
12	Assessed taxes	3,399	4,000	3,500	4,500
13	Forest	7,85,690	9,86,000	9,30,000	11,21,750
14	Registration	2,41,316	2,50,000	2,62,500	2,75,500
15	Post office	1,18,466	1,06,000	1,10,000	1,07,000
18	General administration ..	10,07,351	10,15,000	10,26,000	10,10,000
19	Law and Justice	46,63,809	48,41,000	47,06,000	47,78,000
20	Police	37,84,108	38,48,000	37,72,800	38,28,100
21	Marine	8,168	11,000	14,700	1,32,600
22	Education	11,65,490	11,60,000	11,31,000	11,85,000
24	Medical	10,85,091	11,10,000	11,00,000	11,42,000
26	Scientific and minor other departments	3,97,608	3,63,000	3,70,000	4,00,000
29	Superannuations	8,61,750	8,82,000	8,96,000	9,19,000
30	Stationery and printing ..	8,51,265	7,50,000	7,56,000	7,46,000
31	Miscellaneous	2,58,644	2,10,000	2,62,000	2,45,000
32	Famine relief	32,024	..	10,000	..
46	Civil Buildings, Roads and Services—Civil officers ..	2,64,611	2,67,000	3,65,000	3,35,830
	Net Public works debits ..	23,48,396	23,66,000	27,20,000	25,50,000
	Contributions	2,37,271	1,15,000	1,71,700	1,28,120
	Closing balance	29,56,626	19,12,000	21,29,560	20,00,000
	Total ..	261,63,910	253,51,000	258,68,760	264,10,200

Proof —
Proof Orig:

ANNUAL account of the revenue for 1883-84, comparing the actuals with the estimates.

No.	Heads of receipt.	Budget estimate, 1883-84.	Actual revenue and receipts, 1883-84.	More than estimate.	Less than estimate.
		RS.	RS.	RS.	RS.
I..	Land revenue ..	1,30,57,000	1,37,82,740	7,25,740	..
III..	Salt	25,000	38,337	13,337	..
IV..	Stamps	27,00,000	28,12,431	1,12,431	..
V..	Excise on spirits and drugs	33,00,000	33,05,992	5,992	..
VII..	Customs	50,000	40,495	..	9,505
VIII..	Assessed taxes ..	2,25,000	2,33,138	8,138	..
IX..	Forest	9,25,000	9,53,704	28,704	..
X..	Registration ..	3,00,000	3,16,033	16,033	..
XI..	Post Office ..	..	3	3	..
XV..	Law and Justice ..	7,78,000	5,80,753	..	1,97,257
XVI..	Police	3,29,000	3,30,672	1,672	..
XVII..	Marine	18,000	5,446	..	12,554
XVIII..	Education.. ..	2,05,000	2,12,823	7,823	..
XIX..	Medical	78,000	1,08,166	30,166	..
XX..	Scientific and other Minor departments.	99,000	1,57,008	58,008	..
XXI..	Interest	3,000	3,294	294	..
XXII..	Receipts in aid of superannuation, retired and compassionate allowances.	41,000	23,279	..	17,721
XXIII..	Stationery and printing	80,000	72,877	..	7,123
XXIV..	Miscellaneous ..	69,000	79,059	10,059	..
XXXI..	Irrigation and navigation	1,29,000	55,683	..	73,317
XXXIII.	Other Public works—				
	Civil officers ..	5,000	9,967	4,967	..
	Public Works officers .. .	2,00,000	1,36,678	..	63,322
	Contributions ..	2,95,000	2,36,145	..	58,855
	Total receipts ..	2,29,11,000	2,34,94,723	5,83,723	..

SERVICES.

ANNUAL account of the expenditure for 1883-84, comparing the actuals with the estimates.

No.	Heads of disbursements.	Sanctioned grant for 1883-84.	Actual expenditure in 1883-84.	More than estimate.	Less than estimate.
		RS.	RS.	RS.	RS.
3	Refunds and drawbacks.	71,000	1,77,596	1,06,596	..
5	Land revenue	44,32,000	45,67,890	1,35,890	..
8	Stamps	75,000	77,602	2,602	..
9	Excise	1,05,000	99,734	..	5,266
11	Customs	1,83,000	1,70,005	..	12,995
12	Assessed taxes	5,000	3,399	..	1,601
13	Forest	9,21,000	7,85,690	..	1,35,310
14	Registration	2,35,000	2,41,316	6,316	..
15	Post office	1,13,000	1,88,466	5,466	..
18	General Administration.	10,03,000	10,07,351	4,351	..
19	Law and Justice ..	48,03,000	46,63,809	..	1,39,191
20	Police	38,93,000	37,84,108	..	1,08,892
21	Marine	7,000	8,168	1,168	..
22	Education	10,90,000	11,65,490	75,490	..
24	Medical	10,58,000	10,85,091	27,091	..
26	Scientific and other Minor departments	4,16,000	3,97,608	..	18,392
29	Superannuation allowances and pensions ..	8,61,000	8,61,750	750	..
30	Stationery and printing.	6,97,000	8,51,265	1,54,265	..
31	Miscellaneous	2,27,000	2,58,644	31,644	..
32	Famine relief	..	32,024	32,024	..
37	Guaranteed and subsidised Railways ..	68,000	..	..	68,000
	Railway surveys ..	..	11,720	11,720	..
44	Irrigation and navigation	3,50,000	3,33,244	..	16,756
45	Other Public works—				
	Civil officers	2,70,000	2,64,611	..	5,389
	Public Works officers .	21,48,000	21,95,793	47,793	..
	Contributions	1,40,000	2,37,271	97,271	..
	Total expenditure ..	2,31,71,000	2,33,99,645	2,28,645	..

I.320.P d/8/2/85

165.
7/6 2.85.

Chepauk
5th Febry/85

No. 289 D

To C

For check of the "net Public Works debits" on page 5. The figures of the revised estimate do not agree with those adopted in this Office

CL.
4.2.85

DW

B/3. No. 875. K d/10 April/85

Recorded.

CL.
27.3.85

WS.
27.3.85

Ex Rs. a/c Dem

Govt. of {1885} Madras.

FINANCIAL.

SECRETARY TO GOVERNMENT 23 JAN 85 P.W. DEPARTMENT MADRAS

Issued

Recd. 23/1/85 Encl.

G.O., 19th January 1885, No. 105.

B. No. 875. W d/ 10th April/85

JANUARY.

Budget Estimate.

Reviewing the Civil budget estimates for 1885-86.

With order

Endorsement No. 534 D
dy 16th March 1885.

Forwarded to the Secretary to Government, P.W. Department, with reference to office Note No. 289 D dy 5th February 1885, being the Accountant General's (Madras) explanation of the sum of Rs 27,20,000 entered as the net Public Works debit under Revised Estimate on page 5 of the Proceedings of Government in the Financial Department No. 105 dy 19th January 1885.

D.C. Cumming

Examiner P.W. Accts Madras.

A.A.D.
16/3.

SD
16/3

17 MAR 85 P.W. DEPARTMENT MADRAS

EXAMINER 18 MAR 1885 ACCOUNTS

R. No. 875.
18/19. 3. 85.

2537
B. Ch. 2126

No. 681 D

Chepauk
18th March/85

To C

Please return the papers which accompanied Office Note 289 D d/5th Feby 1885

CL.
17.3.85

20 MAR 85 P.W. DEPARTMENT MADRAS

DW

To- B/No. 875 d/20th March/85 Encl

W.

Herewith.

OC

DW. 19.3

... showing the figures shown as Net public works debits to Govt in the Civil Budget Estimates for 1885-86.

Particulars	1883-84 actuals	1884-85 Budget	1884-85 revised	1885-86 Budget
Expenditure — Buildings, Roads & Drainage	2195794	2240000	2550310	2300000
Irrigation & Navigation	333244	350500	482905	368000
Railways	11720	11500	41000	37000
Total	2540758	2602000	3074215	2700000
Receipts.				
Buildings, Roads & Drainage	136678	197000	100000	100000
Irrigation & Navigation	55683	39060	45100	50000
Railways	"	"	"	"
Total	192361	236060	145100	150000
Net charges	2348397	2365940	2929115	2550000
as entered in the Civil Budget	2348396	2366000	2720000	2550000
Difference	-1	+60	-209115	"

S.320. P.4/1/2/85

Copy of letter from the Accountant General, Madras, to the Examiner P.W. Accounts, Madras, No. 542/157 of 10th March 1885

With reference to your letter No 320 of the 16th February 1885, I have the honor to state that the item of Rs 27,20,000 was not included hitherto for Public Works in the Civil Department, the charge on that account being apportioned as a distinct item immediately after it. But it should further be understood that the Public Works Department and Navigation and Railways, the details regarding which are not furnished by you, was as follows:-

Civil Buildings &c. as per Return of Gazetted Officers for 1884	25,62,000
Roads	15,000
	25,77,000
Irrigation	1,97,000
	23,80,000
Deduct Receipts	
Miscellaneous Buildings	379,000
Canal & Irrigation	
Tramways	39,000
Roads	39,000
	349,000
Rs	27,29,000

(Illegible)

Accountant General

(Illegible)

Officiating Comptroller (Illegible) Book

I.320.P.1/2/85

GOVERNMENT OF MADRAS.

FINANCIAL DEPARTMENT.

ORDER—dated 17th March 1886, No. 229, Financial.

The Government proceed to review the budget estimates for 1886-87. The review will consist of two sections: one relating to Imperial, Provincial and Local funds and services, all combined; the other relating to Provincial funds and services considered as a separate item.

(A.) IMPERIAL, PROVINCIAL AND LOCAL COMBINED.

2. INTRODUCTION.—The total receipts (*vide* Appendix A) for 1885-86 are estimated in the revised budget at Rs. 914,90,000. Of this sum Rs. 580,09,000 or 63 per cent. fall to Imperial, Rs. 243,81,000 or 27 per cent. to Provincial, and Rs. 91,00,000 or 10 per cent. to Local.

3. In the budget for 1886-87 the total receipts are estimated at Rs. 927,26,000, of which Rs. 589,32,000 or 64 per cent. appertain to Imperial, Rs. 245,63,000 or 26 per cent. to Provincial, and Rs. 92,31,000 or 10 per cent. to Local.

4. The expenditure for 1885-86 is in the revised budget estimated at a total of Rs. 423,69,000, of which Rs. 89,19,000 or 21 per cent. belong to Imperial, Rs. 240,72,000 or 57 per cent. to Provincial, and Rs. 93,78,000 or 22 per cent. to Local.

5. In the budget for 1886-87 the total expenditure is estimated at Rs. 437,54,000, of which Rs. 94,12,000 or 21 per cent. are debited to Imperial, Rs. 248,33,000 or 57 per cent. to Provincial, and Rs. 95,09,000 or 22 per cent. to Local.

6. The following abstract shows the main variations between the original and revised estimates for 1885-86, and between the revised estimate for 1885-86 and the budget estimate for 1886-87* :—

Vide Appendices A, B and C.

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 & 2	2 & 3
Receipts.	Rs.	Rs.	Rs.	Rs.	Rs.
Land Revenue	476,55,000	460,79,000	467,75,000	— 15,76,000	+ 6,96,000
Salt	144,53,000	132,03,000	136,13,000	— 12,50,000	+ 4,10,000
Excise	82,25,000	87,40,000	84,80,000	+ 5,15,000	— 2,60,000
Provincial rates	64,34,000	63,03,000	64,37,000	— 1,31,000	+ 1,34,000
Customs	11,00,000	9,27,000	10,97,000	— 1,73,000	+ 1,70,000
Registration	7,00,000	8,25,000	8,25,000	+ 1,25,000	..
Other heads (each under a lakh) ..	151,96,000	154,13,000	154,99,000	+ 2,17,000	+ 86,000
Total ..	937,63,000	914,90,000	927,26,000	— 22,73,000	+ 12,36,000

* As submitted by the Accountant-General.

—	Original grants, 1885-86.	Reduced grants, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.		
	1	2	3	4	1 & 2	2 & 3	3 & 4
Expenditure.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Land Revenue	82,19,000	76,77,000	76,65,000	77,90,000	— 5,42,000	— 12,000	+ 1,25,000
Salt	17,20,000	13,70,000	16,04,000	17,63,000	— 3,50,000	— 21,000	+ 1,59,000
Excise	2,55,000	2,55,000			..		
Forest	11,22,000	10,22,000	10,18,000	12,10,000	— 1,00,000	— 4,000	+ 1,92,000
Law and Justice	47,78,000	47,78,000	47,43,000	48,94,000	..	— 35,000	+ 1,51,000
Marine	1,33,000	18,000	20,000	39,000	— 1,15,000	+ 2,000	+ 19,000
Education	18,03,000	18,03,000	19,37,000	18,37,000	..	+ 1,34,000	— 1,00,000
Stationery and Printing ..	8,06,000	8,06,000	8,60,000	10,71,000	..	+ 54,000	+ 2,11,000
Famine relief	80,000	80,000	2,80,000	10,000	..	+ 2,00,000	— 2,70,000
Irrigation and Navigation ..	3,63,000	3,63,000	6,31,000	4,66,000	..	+ 2,68,000	— 1,65,000
Civil Buildings—							
Civil officers	43,92,000	43,29,000	41,75,000	44,05,000	— 63,000	— 1,54,000	+ 2,30,000
Public Works officers ..	24,30,000	21,39,000	20,21,000	26,31,000	— 2,91,000	— 1,18,000	+ 6,10,000
Exchange	21,33,000	21,33,000	16,32,000	16,32,000	..	— 5,01,000	..
Other heads (each under a lakh).	155,28,000	154,95,000	157,83,000	160,06,000	— 33,000	+ 2,88,000	+ 2,23,000
Total ..	437,62,000	422,68,000	423,69,000	437,54,000	* — 14,94,000	+ 1,01,000	+13,85,000

* Surrenders—Imperial (Salt), Rs. 3,50,000; Provincial, Rs. 11,44,000.

7. From this it appears that the receipts for 1885-86 will, according to the revised budget framed by the Accountant-General, fall short of the original estimate by Rs. 22,73,000, and that the budget estimate for 1886-87 is in excess of the revised estimate for 1885-86 by Rs. 12,36,600, but less than the original estimate for that year by Rs. 10,37,000.

8. The expenditure for 1885-86 will, according to the revised budget, be reduced by Rs. 13,93,000, as compared with the original estimate, while that for 1886-87 is estimated to exceed the expenditure of the revised budget by Rs. 13,85,000, but will differ from the estimated expenditure of the original budget for 1885-86 by a *minus* sum of Rs. 8,000 only.

9. VARIATIONS IN RECEIPTS.—These variations are explained as follows.

10. LAND REVENUE.—*A decrease of* $15\frac{3}{4}$ *lakhs in the revised, as compared with the original, budget for* 1885-86. The normal land revenue of the Presidency may be taken at about 450 lakhs. For the five years preceding the famine, the average of the current demand was Rs. 449,76,000. The average of the five years ending with 1884-85 was Rs. 450,90,000; the mean of these two averages is Rs. 450,33,000.

11. The season of 1884-85 was marked by a partial failure of the south-west monsoon and by heavy and destructive floods in the month of November in South Arcot and Tanjore. Owing to these causes, the actuals of that year amounted to only $437\frac{3}{4}$ lakhs, as against an original estimate of 450 lakhs and a revised estimate of 440. In the current year 1885-86, there was a complete failure of the early rains in several districts, notably Bellary, Anantapur, Madura, Coimbatore and Ganjam, and prospects in Bellary and Anantapur were in the early part of 1885 so gloomy, that it was deemed necessary to undertake the construction of the Hindupur-Guntakal Railway as a relief work.

12. On these considerations, the Board of Revenue thought that it would not be prudent to estimate the current demand for 1885-86 at a higher figure than 445 lakhs.

13. A tabular statement of the rainfall in each month of the south-west and north-east monsoons in 1884-85 and 1885-86 and of the average rainfall for the corresponding periods for ten years ending 1883-84 (excluding the famine years 1876-77 and 1877-78) is given below :—

Months.	1884-85.		1885-86.		Average of 10 non-famine years.	
South-west Monsoon.						
April	·62		·25		·95	
May	1·43		1·79		3·11	
June	3·74	22·92	7 38	25·13	5·36	27·58
July	5·06		6·44		6·39	
August	6·70		4·65		6·40	
September	5·37		4·62		5·37	
North-east Monsoon.						
October	9·34		7·03		7·52	
November	9·42		6·56		6·07	
December	5·13	24·55	4·35	18·31	2·22	16·79
January	·04		·30		·32	
February	·13		·07		·18	
March	·49				·48	

14. At the beginning of 1885-86, there were $62\frac{1}{2}$ lakhs of outstandings. Of this amount, Rs. 1,60,000 had, when the Board's revised budget was submitted, been already written off, while Rs. 57,000 had been recommended for remission and Rs. 54,000 were reported to be irrecoverable. This reduced the outstandings to some 60 lakhs, but allowing for the amount that might have to be remitted in Tanjore in consequence of the floods of November 1884 and for a fair margin for amounts that might eventually have to be written off as irrecoverable,* the Board did not estimate the recoveries under this head as likely to exceed 50 lakhs during the year.

* The write-off on account of outstandings was, on the average of the three years ending 1884-85, Rs. 13,30,000. The amount in 1882-83 was Rs. 24,07,902, chiefly on account of famine adjustments.

15. The estimated demand for the current year was thus brought up to 495 lakhs, but on the foregoing considerations, the Board of Revenue thought it unlikely that a higher rate of collection would be attained in the current year than in the last, when 91 per cent. of the demand was realized. The revised estimate was therefore fixed at 450 lakhs ($=\frac{91}{100} \times 495$), that is to say, $15\frac{3}{4}$ lakhs less than the original estimate, as revised by the Government of India. The original estimate was fixed by this Government at 460 lakhs, being the estimated collections on a total demand—current ($452\frac{1}{2}$ † lakhs) and arrears ($42\frac{1}{2}$ lakhs)—of 495 lakhs, at the rate of 93 per cent. This percentage was arrived at thus. The Government in reviewing ‡ the Board's original estimates for 1885-86 noticed that in estimating the probable collections of the year they had made no allowance for a portion of the $42\frac{1}{2}$ lakhs estimated § to be outstanding on the 1st April 1885, eventually proving to be irrecoverable. The Government allowing 10 lakhs for this and assuming that 95 per cent. of the remaining Rs. 485,00,000, viz., $460\frac{3}{4}$ lakhs, would be collected—95 per cent. was the rate of collection in 1883-84 and is the rate assumed for ordinary years—fixed the original estimate of receipts for 1885-86 at 460 lakhs in round numbers. This sum is 92·9 or say 93 per cent., of the total demand, current and arrears for 1885-86, viz., Rs. 495,00,000. The Government of India raised this estimate to $465\frac{3}{4}$ lakhs, on the assumption that, with efficient supervision, 94 to 95 per cent. of the demand ought to be collected without difficulty in ordinary seasons, and that the short collections in 1884-85 would be more than made good during the current year.

† Average of five years ending 1883-84.

‡ G.O., No. 1174, Revenue, dated 27th October 1884.

§ The actuals were $62\frac{1}{2}$ lakhs.

16. *An increase of Rs.* 6,96,000, *or say in round numbers* 7 *lakhs, in the budget estimate for* 1886-87, *as compared with the revised budget for* 1885-86.—Omitting from consideration the year 1884-85 as an unfavorable one, the average current demand for the five years ending 1883-84 was Rs. 452,67,600 or say $452\frac{1}{2}$ lakhs. Taking in round numbers 452 lakhs as the basis of the estimate for 1886-87, and adding to it the 45 lakhs of outstandings from the previous year, a total demand is arrived

at of 497 lakhs. On the assumption that the season of 1886-87 will be more favorable than either of its two immediate predecessors, and that the rate of collection will consequently improve, this rate is taken at 92 per cent., instead of 91, and the result—viz., 457 lakhs—is taken as the amount of the estimate for 1886-87. This exceeds the revised estimate by 7 lakhs—the difference to be explained.

17. Salt.—*A decrease of* 12½ *lakhs in the revised estimate, as compared with the original budget of* 1885-86. *An increase of Rs.* 4,10,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.

18. *East Coast Salt consumption.*—The actuals, in East Coast salt transactions (vide Appendix G), of the first five months of the current year were 26,93,554 maunds, and those of the last seven months of 1884-85 amounted to 28,54,934 maunds. The sum of these two items amounts to 65,48,488 maunds. The actuals of the first five months of 1884-85 amounted to 26,34,528 maunds—a quantity less by 59,026 maunds than the actuals of the corresponding period of the current year. Assuming that the same rate of increase will continue to the end of the current year, the total sales of 1885-86 would amount to 66,33,296 maunds, or only 66,704 maunds less than the original estimate of 67,00,000 maunds. Owing, however, to the unfavorable character of the season and to the depressing influence which the increasing prices * of excise salt must have on the sales, the Commissioner of Salt Revenue considers that it would not be prudent to take the probable sales of East Coast salt in 1885-86 at a higher figure than 66,00,000 maunds—the amount taken in the revised estimate for 1885-86. The same considerations of prudence induced him to fix the budget estimate for 1886-87 at 66,50,000 maunds, or 50,000 less than the original estimate for 1885-86.

* In a letter, No. 12487, dated 3rd December 1885, addressed to the Board of Revenue, the Commissioner writes that the declared (at time of removal) average prices of salt sold at the Madras Salt depôt since excise sales began were as follows:—

September 1885	..	..	As. 4 9 (*ex* duty).
October	,,	..	,, 5 7 ,,
November	,,	..	,, 5 5 ,,

He further states that the introduction of the excise system has been invariably followed by a rise in price.

19. *West Coast Salt consumption.*—On the West Coast (South Canara), manufacture has ceased; the stock at the beginning of the year amounted to 68,622 maunds, but as in 1884-85 the licensees sold only 48,431 maunds, the Commissioner does not think that they will sell more than 50,000 maunds in the current year. This figure, which is less by 10,000 maunds than the original estimate of 60,000, is therefore taken in the revised budget for 1885-86, while the balance of stock, which, allowing for a wastage of 6,226 maunds in the two years, will amount to 12,000 maunds, is taken for the budget estimate of 1886-87.

20. *Miscellaneous items consumption.*—Under Miscellaneous items, the following variations occur:—

	Original Estimate.	Revised Estimate.	Budget Estimate.
	MDS.	MDS.	MDS.
Fish-curing operations	1,60,000	1,30,000	1,60,000
Issues to French Government	58,800	69,100	70,100
Do. for export	..	50,000	..
West Coast	..	400	700
Total ..	2,18,800	2,49,500	2,30,700

In the revised budget for 1885-86, the estimate for fish-curing is reduced by 30,000 maunds on the following considerations:—

	MDS.
Actual sales for fish-curing during the first 5 months of 1884-85 .	17,095
Do. for last 7 months	72,300
	89,395
Do. for first 5 months of 1885-86;	22,060
Probable sales in last 7 months $\frac{72,300}{17,095} \times 22,060$	93,299
Total sales for 1885-86 ..	1,15,359

This estimate was raised to 1,30,000 maunds considering that (i) the fish-curing industry was expanding very rapidly; (ii) that in 1884-85, the transactions for November and December 1884 and January 1885—a very good part of the year for fishing purposes—at the yards of the Chingleput, Negapatam and Tinnevelly divisions, were much affected by the cyclone of November 1884—a special cause. The figure of the original budget of 1885-86—viz., 1,60,000 maunds—is taken for the budget of 1886-87 also. The variations in the issues to the French Government are trifling and call for no remark. Neither in the original budget for 1885-86 nor in the budget for 1886-87 is any provision made for export, but in the revised budget for 1885-86, 50,000 maunds are entered, in the hope that recent orders allowing for wastage on salt exported to the Straits Settlements will revive the export trade thither and tend to clear the stocks at Vedarniem and other Government factories.

21. *Total consumption.*—The result of the foregoing is this:—

	Original Estimate, 1885-86.	Revised Estimate, 1885-86.	Budget Estimate, 1886-87.
	MDS.	MDS.	MDS.
East Coast salt	67,00,000	66,00,000	66,50,000
West Coast salt	60,000	50,000	12,000
Miscellaneous items	2,18,000	2,49,500	2,30,800
Total ..	69,78,800	68,99,500	68,92,800
		— 79,300	— 6,700

22. The revised budget for 1885-86 has, for the reasons specified above, been thus reduced from 69,78,800 maunds to 68,99,500 maunds, or by 79,300 maunds, and the budget estimate for 1886-87 is fixed at 68,92,800 maunds, or less than the revised estimate by 6,700 maunds.

23. *Operation of the monopoly and excise systems of administration.*—If the revenue derived from salt were levied at an uniform rate, and if salt sales meant only cash transactions, the explanations just given of the variations in the estimates of consumption in 1885-86 and 1886-87 would explain the variations in the budget estimates of receipts. But in the first place salt is of two kinds,

Monopoly,
Excise,

the former manufactured for and sold by Government at a price of Rs. 2-3-0 a maund, the latter manufactured by private parties and excised when sold by the imposition of a duty of Rs. 2 a maund. Of the price Rs. 2-3-0 of Government salt, Rs. 2 represent the duty, and As. 3 the cost-price of the salt to Government.

24. It is the policy of the Government to withdraw altogether from any direct connexion with the manufacture, and to encourage private enterprise in the development of the salt traffic. This means in other words the abolition of the Government monopoly and the development of private enterprise under the excise system. The table on the margin will show how this policy has worked in the five years ending 1884-85. In the year 1880-81 there were 58 factories, of which 3 were excise and 55 monopoly: in 1884-85 the total number of factories had been reduced to 50, but of these 22 were excise and only 28 monopoly; 8 factories had in the interval been altogether abolished. When the original budget for 1885-86 was sanctioned, it was anticipated that the excise factories would have increased to 23, and

	Years.	Factories. Excise.	Monopoly.	Total.
Actuals ..	1880-81	3	55	58
	1881-82	3	55	58
	1882-83	5	51	56
	1883-84	12	40	52
	1884-85	22	28	50
Estimates ..	Original, 1885-86	23	27	50
	Revised, 1885-86	32	15	47
	Budget, 1886-87	32	15	47

the monopoly ones been reduced to 27; but in the interval of a year between the time when the budget was framed and the time it was revised, the position had materially altered and the excise factories then numbered 32 and the monopoly ones only 15. The same relations between the two are anticipated for 1886-87.

25. *Effect of these on budget figures.*—As therefore every maund of monopoly salt that is superseded by excise means a loss to the revenue of 3 annas a maund, it is obvious that the changed relations between excise and monopoly factories that had occurred in the course of the year must materially affect the budget estimates of receipts for 1885-86 as originally sanctioned and as now revised.

26. The effect of the change is noted below:—

	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
	MDS.	MDS.	MDS.
Excise	27,60,000	39,84,000	51,67,000
Monopoly	42,18,800	29,15,500	17,25,800
Total ..	69,78,800	68,99,500	68,92,800

27. It will be observed that while the estimates of total consumption vary but little, the relations between excise and monopoly salt are altogether altered; the two are rapidly changing places—the natural result of the extension of the excise system and the withdrawal of the Government from the monopoly traffic.

28. The operation of this policy will appear also from the subjoined statistics of consumption; actuals for the five years ending 1884-85, estimates for 1885-86 and 1886-87:—

Years.		Quantity sold in maunds.			Percentage.		Increase or decrease per cent. in each year.	
		Excise.	Monopoly.	Total.	Excise.	Monopoly.	Excise.	Monopoly.
Actuals ..	1880-81	9,591	57,28,933	57,38,524	·16	99·84	..	..
	1881-82	50,005	56,16,211	56,66,216	·8	99·2	+ 80·82	— 1.97
	1882-83	2,30,759	60,71,872	63,02,631	3·6	96·4	+ 78·33	+ 7·50
	1883-84	6,90,111	58,85,305	65,75,416	10·49	89·51	+ 66·56	— 3·07
	1884-85	16,13,281	49,24,922	65,38,203	24·6	75·4	+ 57·22	— 16·32
Estimates ..	Original, 1885-86 ..	27,00,000	40,00,000	67,00,000	40·29	59·71	+ 40·25	— 18·78
	Revised, 1885-86 ..	39,34,000	26,66,000	66,00,000	59·6	40·4	+ 31·37	— 33·35
	Budget, 1886-87 ..	51,55,000	14,95,000	66,50,000	77·5	22·5	+ 23·69	— 43·92

29. It will be seen from the foregoing statement that on the actuals of the five years ending 1884-85, excise sales had risen from a percentage of the total amounting to ·16 to a percentage of 24·6, and that the percentages had progressed at the following rates. The percentage in 1881-82, that is to say, was exactly five times what it was in 1880-81; in 1882-83 was exactly $4\frac{1}{2}$ times what it was in 1881-82; in 1883-84 was nearly three times as great as in 1882-83; and in 1884-85 nearly $2\frac{1}{2}$ times as great as in 1883-84.

30. The distribution in the original budget for 1885-86 and the redistribution in the revised budget of excise and monopoly salt, and the proposed distribution of them in the budget for 1886-87, are based on consideration of the probable consumption and the changed relations between excise and monopoly salt that have been just commented upon. The percentages of excise to total sales were, on the distributions so made, as follows:—

Original budget, 1885-86	40·2
Revised budget, 1885-86	59
Budget, 1886-87	77

31. These percentages agree fairly well with what, on the data of the progress-percentages noted above, might have been expected. On these data, the percentage of excise to total sales might have been taken in the original estimate for 1885-86 at nearly

double that of the actual of 1884-85, or something less than 49·12; the percentage on the originally budgeted distribution was 40·2, while for 1886-87 the percentage might have been taken at nearly $1\frac{1}{2}$ times that—59 per cent.—of the revised budget for 1885-86, or $88\frac{1}{2}$ per cent. The percentage, according to the distribution taken in the budget for 1886-87 is 77, or just under $1\frac{1}{4}$ times that of the revised budget for 1885-86, and is probably a safe estimate, as no increase in the number of excise factories appears to be anticipated in 1886-87.

32. *Operation of the credit-sale system.*—In the next place estimates of consumption in any given year are no guide to the actual receipts of revenue in that year owing to the operation of the credit-sale system. How that works will appear from the subjoined statistics, which will show that during the seven years between 1878-79 and 1884-85, credit sales have gradually risen from 25·3 to 46·2 per cent. of the total sales.

Years.		Total sales. MDS.	Credit sales. MDS.	Percentage.
Actuals ..	1878-79	52,75,813	13,34,823	25·3
	1879-80	57,03,587	14,08,156	24·6
	1880-81	57,38,524	15,42,756	26·8
	1881-82	56,66,216	17,82,256	31·4
	1882-83	63,02,631	21,07,900	33·4
	1883-84	65,75,416	25,20,433	38·3
	1884-85	65,38,203	30,23,332	46·2
Estimates ..	1885-86 Original ..	67,00,000	32,16,000	48·0
	1885-86 Revised ..	66,00,000	36,96,000	56·0
	1886-87 Budget ..	66,50,000	39,90,000	60·0

33. The effect of this system—under which the credit transactions are adjusted every 6 months—is that in the financial accounts of the Salt department, receipts are exhibited under the following three heads:—

(1) Recoveries for salt sold in the last 6 months of the preceding year.
(2) Recoveries for salt sold in the first 6 months of the year.
(3) Cash transactions.

34. The price of salt sold on credit in the last six months of the year is recovered and exhibited in the accounts of the following year.

35. *The operation of all these causes as inducing changes in the budget.*—The result of the operation of all these causes is exhibited in the following statement which also explains the variations in the budgets.

—	Original Estimate, 1885-86.		Revised Estimate, 1885-86.		Budget Estimate, 1886-87.	
	Quantity and value of salt sold in the year.	Quantity and value of salt in respect of which revenue is expected to be realised.	Quantity and value of salt sold in the year.	Quantity and value of salt in respect of which revenue is expected to be realised.	Quantity and value of salt sold in the year.	Quantity and value of salt in respect of which revenue is expected to be realised.
	MDS. RS.	MDS. RS.	MDS. RS.	MDS. RS.	MDS. RS.	MDS. RS.
Monopoly Salt.						
East Coast—						
Credit sales of the previous year ..	.. ..	12,12,000 26,51,200	.. ..	11,14,000 24,37,000	.. ..	7,72,100 16,88,900
Credit sales of the first 6 months (realised within the year)	8,92,400 19,52,100	8,92,400 19,52,100	7,43,300 16,26,000	4,49,700 9,83,200	4,49,700 9,83,200	
Credit sales of the last 6 months (realised in the following year) ..	10,30,800 22,54,900	20,76,800 45,43,000	4,68,000 10,23,700	5,77,300 12,62,800	5,77,300 12,62,800	
Cash sales	20,76,800 45,43,000		5,77,300 12,62,800			
Total, East Coast ..	40,00,000 87,50,000	41,81,200 91,46,300	28,31,800 61,95,000	14,95,000 32,69,700	17,99,100 39,34,000	
West Coast	.. ..	.. ..	1,100 1,800	700 1,800	400 700	
Fish curing	1,60,000 92,000	1,60,000 92,000	92,500 1,60,000	1,04,500 1,60,000	1,30,000 1,60,000	1,04,500
French Government	68,800 10,000	68,800 10,000	10,400 70,100	10,800 70,100	69,100 70,100	10,800
Export by sea	.. ..	.. ..	9,500 ..	.. ..	60,000 ..	..
Customs duty	.. 2,000	.. 2,000	2,000 ..	2,000 ..	.. ..	2,000
Total, Miscellaneous ..	2,18,800 1,04,000	2,18,800 1,04,000	1,15,500 2,30,800	1,19,100 2,30,800	2,49,500 1,19,100	
Amount added by the Government of India on consideration of the monthly reports of the Salt Commissioner ..	.. ..	.. ..	.. ..	.. ..	.. ..	.. ..
Total, Monopoly Salt ..	42,18,800 88,54,000	44,00,000 93,68,000	29,47,300 63,25,800	15,14,100 33,88,800	20,48,600 40,53,100	
Excise Salt.						
East Coast—						
Credit sales of the previous year ..	.. ..	4,46,000 8,92,000	3,12,200 6,24,400	.. ..	.. ..	.. ..
Do. of the first 6 months ..	5,99,850 11,99,700	5,99,800 11,99,700	10,69,700 21,39,400	15,05,400 30,10,800	10,69,700 21,39,400	15,05,400
Do. of the last 6 do. ..	6,92,950 13,85,900	6,99,800 13,99,700	11,10,900 22,21,800	15,05,400 30,10,800	11,10,900 22,21,800	15,05,400
Cash sales of the year ..	14,07,200 28,14,400	14,07,200 28,14,400	17,53,400 35,06,800	20,82,700 41,65,400	17,53,400 35,06,800	20,82,700 41,65,400
Total, East Coast ..	27,00,000 54,00,000	24,53,000 49,06,100	31,35,300 62,70,600	51,55,000 103,10,000	39,34,000 78,68,000	46,99,000 93,98,000
West Coast	60,000 1,20,000	60,000 1,20,000	50,000 1,00,000	12,000 24,000	50,000 1,00,000	12,000 24,000
Total, Excise Salt ..	27,60,000 55,20,000	25,13,000 50,26,100	31,85,300 63,70,600	51,67,000 103,34,000	39,84,000 79,68,000	47,11,000 94,22,000
Total, Imperial ..	69,78,800 143,74,000	69,13,000 143,95,000	64,42,700 130,56,000	68,92,800 137,22,800	68,99,500 139,15,300	67,40,800 134,76,000
Provincial	.. 58,000	.. ..	.. 1,37,000	.. 1,37,000	.. * 1,37,000	.. 1,37,000
Grand Total	.. 144,32,000	.. 144,53,000	.. 132,03,000	.. 138,59,800	.. 140,52,300	.. 136,13,000
					—12,50,000	4,10,000
					The budget differences to be explained.	

* The increase of Rs. 79,000 under Provincial, viz., from Rs. 58,000 to Rs. 1,37,000, is entirely due to the great extension of the excise system and the consequent increase of the revenue derived from the imposition of the cess varying from 1 to 15 pies on each maund of salt, which is levied from the licensees in excise factories to meet the interest of the capital cost of the Government works made over to them and the cost of their upkeep.

36. EXCISE.—*An increase of Rs.* 5,15,000 *in the revised as compared with the original budget of* 1885-86, *and a decrease of Rs.* 2,60,000 *in the estimate for* 1886-87 *as compared with the revised budget for* 1885-86.—This head of account is divided into two branches,

Abkári,

Opium,

and in explaining the budget variations, these must be separately dealt with. The following is an abstract of the estimates under the two heads :—

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 and 2	2 and 3
	RS.	RS.	RS.	RS.	RS.
(i) Abkári	76,60,000	81,00,000	78,20,000	+ 4,40,000	— 2,80,000
(ii) Opium	5,65,000	6,40,000	6,60,000	+ 75,000	+ 20,000
Total ..	82,25,000	87,40,000	84,80,000	+ 5,15,000	— 2,60,000

37. *Abkári.—An increase of Rs.* 4,40,000 *in the revised as compared with the original estimate of* 1885-86, *and a decrease of Rs.* 2,80,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86. The original budget estimate for 1885-86 was fixed by the Board of Revenue at Rs. 75,00,000 : this was subsequently raised by the Government of India to Rs. 76,60,000. The revised estimate for 1885-86 is now taken at Rs. 81,00,000, or Rs. 4,40,000 in excess of the original budget. This estimate is fully justified by the following figures :—

	RS.
The actuals of the first 8 months of 1885-86 amounted to ..	54,15,485
The probable receipts in the remaining 4 months at the same rate of progress would be	27,07,742
This would give a total of	81,23,227

or 81 lakhs in round numbers for the whole year.

38. The budget estimate of 1886-87 is fixed at Rs. 78,20,000, or Rs. 2,80,000 less than the revised estimate. This decrease is due to the following causes :—

A sum of Rs. 1,80,000, representing the cost price of liquor purchased by Government for the Town of Madras in the current year, will be saved in 1886-87, owing to the withdrawal of Government from the monopoly managed by itself on the introduction of the free-supply system into the town from 1st April next.

A sum of Rs. 60,000, being the contributions heretofore payable by distillers on account of the cost of the guarding and gauging establishments maintained by Government at each distillery for the protection of the Government revenue, has been foregone under G.O., No. 1363, Revenue, dated 10th December 1885 ; this charge will in future be borne by Government.

Some Rs. 40,000 will, it is anticipated, be lost on the re-sale of the arrack-vend farms and shop licenses next year owing to the expected re-action from the reckless biddings at the auction sales of last year. This is a decrease of 2½ per cent. on the amount—Rs. 16,43,000—of the arrack-vend farms and shop licenses in the revised budget for the current year.

39. The sum of these three items is Rs. 2,80,000—the difference to be explained.

40. *Opium.*—The revenue derived from this source is comprised under the following heads :—

—	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference.	
	1	2	3	1 and 2	2 and 3
	RS.	RS.	RS.	RS.	RS.
Pass duty on Malwa opium	3,15,000	2,94,000	3,15,000	— 21,000	+ 21,000
Sale proceeds of monopoly of vend and other items	2,50,000	3,46,000	3,45,000	+ 96,000	— 1,000
Total ..	5,65,000	6,40,000	6,60,000	+ 75,000	+ 20,000

41. The pass duty is levied at the rate of Rs. 700 per chest of 140lb. and is paid to the credit of the Madras Government at Indore by merchants importing the drug from Malwa. The number of chests imported* since 1880-81 has averaged 452 per annum, or in round numbers 450. In the first five months of 1885-86, the number of chests imported amounted to 160 only, against 231 or nearly half as many more imported on the average of the corresponding period of the three preceding years. In the last seven months of 1883-84 and 1884-85, the actuals were 283 and 272 chests, but on consideration of the actuals of the first five months of the current year, the probable imports for the last seven months of it were taken at 260. The revised estimate was, therefore, fixed at 420 (= 160 + 260), instead of 450 chests as originally estimated. The average number of chests, viz., 450, is taken for 1886-87, which accounts for the difference of Rs. 21,000 (at Rs. 700 for thirty chests) between the revised estimate for 1885-86 and the budget estimate for 1886-87.

* Years.	First five months.	Last seven months.	Total.	Value.
	NO.	NO.	NO.	RS.
1880-81	202	314	516	3,61,200
1881-82	100	217	317	2,21,900
1882-83	234	178	412	2,88,400
1883-84	246	283	529	3,70,300
1884-85	214	272	486	3,40,200
Original estimate, 1885-86.	..	..	450	3,15,000
Revised estimate, 1885-86.	160	260	420	2,94,000
Budget estimate, 1886-87.	..	..	450	3,15,000

42. Under the head of Monopoly of vend, &c., the original estimate for 1885-86 was Rs. 2,50,000, but the actual sales realized Rs. 3,48,000; in their revised budget the Board take this at Rs. 3,46,000 to allow for possible small losses in collections. This accounts for the increase of Rs. 96,000 in the revised budget for 1885-86 as compared with the original. The figure taken for the budget estimate for 1886-87 is Rs. 3,45,000, or Rs. 1,000 less than the figure of the revised budget for 1885-86.

43. *The two combined.*—The combined figures for Abkári and Opium explain the budget differences under Excise.

44. PROVINCIAL RATES.—*A decrease of Rs.* 1,31,000 *in the revised as compared with the original estimate of* 1885-86, *and an increase of Rs.* 1,34,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86. The revenue under this head is purely local and consists chiefly of cesses on land. The causes therefore which operate to vary the budget estimates of land revenue will have the same effects in the case of these. The actuals during the past 5 years have averaged Rs. 61,85,194, as shown on the margin. The actuals of 1884-85, which as already explained (supra paragraph 11) was an unfavorable year, amounted to only Rs. 61,33,732 against the original estimate of Rs. 64,33,000. It was anticipated that the revenue for 1885-86 would be much the same as that originally estimated for 1884-85, and the original estimate for 1885-86 was accordingly taken at Rs. 64,34,000, or Rs. 1,000 more than that of the preceding year. The actual collections in the first

	Actuals.
	RS.
1880-81	55,30,300
1881-82	61,87,645
1882-83	63,89,118
1883-84	66,85,177
1884-85	61,33,732
Total ..	309,25,972
Average ..	61,85,194

8 months of the current year (viz., Rs. 24,26,296) exceeded those of the corresponding period of the previous year (viz., Rs. 22,97,781) by Rs. 1,28,515. Assuming that the same rate of progress will continue in the remaining four months of the current year, the improvement for the whole year may be taken at 1,28,515 + 64,257 or Rs. 1,92,772 over the actuals of the previous year (viz., Rs. 61,33,731). This would give for the revised estimate of the current year a sum of Rs. 63,26,503. Allowing, however, for the somewhat unfavorable character of the season in this year also (as explained under Land Revenue), the receipts are put down at Rs. 63,03,000. In the hope that the season of 1886-87 will be an improvement on its immediate predecessors the estimate is fixed at Rs. 64,37,000, which is a near approximation to the original budgets for 1885-86 and 1884-85, viz., Rs. 64,34,000 and 64,33,000, respectively.

45. CUSTOMS.—*A decrease of Rs.* 1,73,000 *in the revised as compared with the original estimate of the current year, and an increase in the budget estimate of next year as compared with the revised estimate of the current year.* The actuals of the first 8 months of the current year (viz., Rs. 5,88,429) fall short of those of the corresponding period of the previous year (viz., Rs. 7,03,611) by Rs. 1,15,182, owing to a decrease in the exports of paddy and rice to foreign countries. In the first 8 months of the current year, the exports by sea amounted to only Rs. 2,35,000, as against Rs. 3,24,000 in the corresponding period of the previous year, while the exports by land* were only Rs. 20,000 as compared with Rs. 57,877 in the corresponding period of the previous year. The cause of the decrease is ascribed to the indifferent character of the season and to damage caused by the floods of November 1884. The Board thought it more than doubtful whether the falling off in the export trade of the earlier, would be made good in the last, months of the year. The decrease in the whole year would, at the same rate, therefore be 1,15,182 + 57,591 = 1,72,773, or, in round numbers, Rs. 1,73,000—the difference to be explained. The original budget of the current year was fixed at Rs. 11,00,000; the actuals for 1886-87 are taken at Rs. 10,97,000, that is to say, the original estimate, Rs. 11,00,000, for 1885-86, is in effect repeated for 1886-87.

* Chiefly Tanjore and Karikal.

46. REGISTRATION.—*An increase of Rs.* 1,25,000 *in the revised as compared with the original estimate of* 1885-86. This is explained in paragraphs 90 to 93 below in dealing with Provincial funds and services separately.

47. VARIATIONS IN EXPENDITURE..—The difference of Rs. 14,94,000 in the reduced as compared with the original grants for 1885-86 is due to the surrenders made by heads of departments in consequence of the financial pressure at the beginning of the year; the details are given below:—

	RS.	RS.
Land Revenue—		
Revision of Revenue Establishments	4,50,000	
Revenue Survey Department	75,000	
Revenue Settlement Department	17,000	
		5,42,000
Salt Department—		
Salt Purchase and Freight	2,50,000	
Petty Construction and Repairs	1,00,000	
		3,50,000
Forest Department—		
Conservancy and Works	70,900	
Establishments	29,100	
		1,00,000
Marine Department—		
Purchase of a Government Steamer		1,15,000
Minor Departments—		
Public Exhibitions and Fairs	16,000	
Cinchona Plantations	10,000	
Government Farm, Saidápet	7,000	
		33,000

	RS.	RS.
Civil Buildings, &c.—Civil Officers—		
Board of Revenue	37,000	
Vizagapatam Agency	19,000	
Churches and Cemeteries	7,000	
		63,000
Public Works Officers		2,91,000
Total ..		14,94,000

The variations in the revised estimate as compared with the reduced grant for 1885-86 and the budget estimate for 1886-87 are explained below.

48. LAND REVENUE.—*An increase of Rs.* 1,25,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of the current year.*—This is due in part and chiefly to the restoration of the grants in the Survey and Settlement departments, viz., Rs. 75,000 and Rs. 17,000, respectively, and to increased expenditure under sundry miscellaneous items in connection with Collectors' establishments, village service establishments, &c., aggregating Rs. 33,000.

49. SALT AND EXCISE.—*An increase of Rs.* 1,59,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of* 1885-86.—When the original estimates for 1885-86 were framed, a sum of Rs. 17,20,000 was provided under Salt (Imperial) and Rs. 2,55,000 under Excise (half Imperial and half Provincial).

50. The following statement exhibits the changes involved by the amalgamation of the two departments of Salt and Excise and explains the variations in the estimates, as originally framed and as now revised;

Salt and Excise.	Original grant, 1885-86.	Reduced grant, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Difference. 2 and 3.	Difference. 3 and 4.
	1	2	3	4	5	6
	RS.	RS.	RS.	RS.	RS.	RS.
SALT.						
(i) *Charges relating exclusively to Salt*—						
Petty Construction and Repairs	1,10,000	10,000	54,000	74,000	+ 34,000	+ 20,000
Salt Purchase and Freight	4,43,500	1,93,500	2,26,000	2,36,000	+ 32,500	+ 10,000
Transfer of Orissa Salt Works to Madras.	..	..	10,000	63,600	..	+ 53,600
(ii) *Combined Salt and Excise Charges*—						
Portion debitable to Salt. { Salaries, Establishment and Contingencies.	11,66,500	11,66,500	9,55,000	11,44,400	— 2,11,500	+ 1,89,400
Total Salt ..	17,20,000	13,70,000	12,45,000	15,18,000	— 1,25,000	+ 2,73,000
		— 3,50,000				
EXCISE.						
(ii) *Combined Salt and Excise Charges*—						
Portion debitable to Excise .. { Salaries, Establishment and Contingencies.	45,000	45,000	1,03,000	1,62,000	+ 58,000	+ 59,000
(iii) *Charges relating exclusively to Excise*—						
Salaries, Establishment and Contingencies.	34,000	34,000	76,000	83,000	+ 42,000	+ 7,000
Cost of Liquor for Madras town	1,76,000	1,76,000	1,80,000	..	+ 4,000	— 1,80,000
Total Excise ..	2,55,000	2,55,000	3,59,000	2,45,000	+ 1,04,000	— 1,14,000
Grand Total ..	19,75,000	16,25,000	16,04,000	17,63,000	— 21,000	+ 1,59,000

51. As a consequence of the amalgamation of the two departments, "Excise" no longer appears on the expenditure side as a separate major head of account. The entire charges on account of it are debited in the first instance to "Salt" (Imperial), the provincial share of them being adjusted by deduction from the Land Revenue percentage due to Provincial services in accordance with the rules of the Financial

department and as directed in G.O., Revenue, No. 1091, dated 25th September 1885. In distributing the cost of the combined establishments between "Salt" and "Excise" for the purpose of carrying out the above adjustment, the Commissioner excluded in the first place—

all charges appertaining to salt only, *e.g.*, all charges debitable entirely to Orissa, Salt purchase and freight, Salt petty construction and repairs, &c.;
all charges debitable to excise only, such as gauging establishments in the Mofussil and the establishments and cost of purchase of liquor for Madras town.

The balance of charges he proceeded to distribute between "Salt" and "Excise" by an arithmetical method which the following example will illustrate and explain. Suppose that the sanctioned cost of the old establishment of "Salt" Inspectors was Rs. 14,250, and that the cost of the "Inspector" establishments for the combined duties of "Salt" and "Excise" is raised to Rs. 15,300, or by Rs. 1,050 a-month, then the fraction $\frac{1050}{15300}$, which represents the ratio of the increase per mensem under this head to the total sanctioned cost of it, is taken as the factor to be applied to the actual cost of the "Inspector" class—for the purpose of *estimates* as actually entertained,* for the purpose of *actuals* as ascertained at the close of the year—for the determination of the proportion of it that is due to "Excise." Factors for each of the other separate classes of officers and for house-rent and contingencies are similarly determined and applied, the sum total of the several proportions of cost thus ascertained representing the "Excise" share of the cost of the combined establishments. The Excise share of contingencies is determined by the proportion that the excise share of "Establishments" bears to their total cost.

* Establishments are not yet entertained as sanctioned.

52. *Charges relating exclusively to Salt.*—In the budget for 1886-87, the Orissa charges are estimated for in full, instead of for a portion of the year as in the revised estimate.

53. *Combined Salt and Excise Establishments.*—The large saving of Rs. 2,11,500 and Rs. 1,89,400 in the revised estimate, as compared with the original and budget estimates under *Salt*, is due to the fact that provision is made in the budget for the full sanctioned scale of salaries, whereas the higher grades in establishments from Inspectors downwards are filled up only gradually according to merit. This causes an excess in the strength of the lower and less highly-paid grades. It will be seen from the following statement that the budget estimates of this department have always been in excess of actual requirements:—

		Grants.	Actuals.	Difference.
		RS.	RS.	RS.
Actuals ..	1878-79	8,30,000	6,48,145	— 1,81,855
	1879-80	8,56,000	4,43,156	— 4,12,844
	1880-81	5,64,000	4,65,785	— 98,215
	1881-82	6,03,000	5,85,735	— 17,265
	1882-83	9,36,000	6,76,457	— 2,59,543
	1883-84	9,39,000	8,96,016	— 42,984
	1884-85	11,22,200	10,04,225	— 1,17,975

54. *Charges relating exclusively to Excise.*—The increase in the revised and budget estimates under Salaries, Establishments and Contingencies is due to the progress of the reorganization of the department. Owing to the introduction of the free-supply system into Madras Town, it will no longer be necessary to buy liquor for sale in Madras. The cost price of this item, which in the current year amounts to Rs. 1,80,000, will therefore disappear from the accounts: this explains the large decrease under purely excise charges in the budget estimate for 1886-87.

55. FORESTS—*An increase of Rs.* 1,92,000 *in the budget estimate of* 1886-87 *as compared with the revised estimate of the current year.*—Of this amount, Rs. 1,34,000 fall to "Conservancy and Works," and the remainder, Rupees 58,000, to "Establishments." The original estimate for 1885-86 was Rupees 11,22,000: the revised estimate was, allowing for the surrender of a lakh (vide paragraph 47 supra), fixed at Rs. 10,18,000. If to the revised budget be added the lakh surrendered under financial pressure, we get a sum of Rs. 11,18,000, or Rs. 92,000 less than the budget estimate for 1886-87: in other words, the budget estimate for 1886-87 is based on the restoration of the surrendered lakh, and an estimated further expenditure of Rs. 92,000 in excess of the revised budget of 1885-86. The details of the excess of Rs. 1,92,000 in the budget estimate for 1886-87 are given on the margin.

Conservancy and Works.

	Rs.	Rs.
Timber—		
Felling and squaring 20,000 cubic feet of teak in South Coimbatore, at 8 annas per cubic foot	..	10,000
Felling and logging 10,000 trees in Ganjam, at Rs. 1¾ per tree with depôt expenses and temporary establishment	..	18,000
Collection of 2,000 tons of redwood roots in Cuddapah, at Rs. 6¼ per ton	..	12,500
Cost of cutting and carriage of fuel from Sríharikót (Nellore) to canal bank, and of cutting 3,000 tons of casuarina	..	16,000
Cutting and taking to Ootacamund depôt 5,000 cubic feet of teak, at Annas 13-6	..	4,220
Live and Dead Stock—		
Purchase of four elephants—two in Ganjam and two in Godávari—at Rs. 2,500 each	..	10,000
Communications and Buildings—		
Repairs to sundry roads and bridges	..	20,000
Head-quarters bungalow at Nandiyál	5,000	
Do. do. at Anantapur	4,000	
Forest house at Nilambúr	6,000	
Do. at Setumalai	2,000	
Sundry other buildings	7,000	
		24,000
Demarcation—		
Demarcation and clearance of forest reserves, maintenance of existing plantations, forest surveys and settlement, fire-tracing and other operations	..	22,000
		1,36,720
Savings under other heads	..	2,720
		1,34,000

Establishments.

Salaries of superior officers	11,000	
Subordinate officers and establishments	15,000	
Deputation and special allowances	15,000	
Travelling allowances	12,000	
Sundry other charges	5,000	
		58,000
Grand Total	..	1,92,000

The following abstract shows the distribution of this amount between restored surrenders and new expenditure:—

Items.	Surrender to India restored in budget of 1886-87.	New expenditure budgeted for.	Total.
	Rs.	Rs.	Rs.
Conservancy and Works	70,900	63,100	134,000
Establishments	29,100	28,900	58,000
Total	1,00,000	92,000	1,92,000

It will appear from this that the new and additional expenditure under "Conservancy and Works" amounts really to only Rs. 63,100 and under "Establishments" to Rs. 28,900.

56. The increased provision under Establishments is mainly due to the allowances of a special Forest Settlement Officer to be employed in the Northern Division, amounting, with contingencies, travelling allowances, &c., to Rs. 18,000, and to the salaries amounting to some Rs. 8,000 of three new officers expected from England.

57. The following figures will show that the grants in each year have not, as a rule, been fully utilised in the Forest department:—

Years.	Conservancy and Works.		Establishments.		Total.		Difference.
	Grants.	Actuals.	Grants.	Actuals.	Grants.	Actuals.	
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Actuals 1880-81	3,02,000	2,13,070	3,20,000	3,05,715	6,22,000	5,18,785	— 1,03,215
1881-82	3,09,600	2,68,790	3,28,400	3,34,710	6,38,000	6,03,506	— 34,494
1882-83	3,47,000	3,09,801	3,76,000	3,35,064	7,23,000	6,44,865	— 78,135
1883-84	4,25,000	3,50,564	4,96,000	4,35,126	9,21,000	7,85,690	— 1,35,310
1884-85	4,77,900	4,03,765	5,08,100	4,91,689	9,86,000	8,95,454	— 90,546

58. LAW AND JUSTICE—*An increase of Rs.* 1,51,000 *in the budget estimate of* 1886-87 *over the revised estimate of the current year.*—The chief items composing this excess are the following:—

Rs. 20,000 on account of increased establishment and contingencies for the service of judicial processes in Civil and Sessions Courts. This expenditure is more than recouped from the fees levied for the service of process.

Rs. 1,13,000, the cost of the increased jail guard establishments entertained by the Jail Department in lieu of the Police guards formerly employed.

It is observed that the budget grants for this department have been as a rule considerably in excess of actual requirements, as shown by the following figures:—

	Grants.	Expenditure.	Difference.
	Rs.	Rs.	Rs.
Actuals 1880-81	13,04,500	11,12,738	—1,91,762
1881-82	11,64,000	9,75,578	—1,88,422
1882-83	10,60,000	9,03,875	—1,56,125
1883-84	9,92,200	7,89,250	—2,02,950
1884-85	8,99,000	8,02,164	— 96,836

59. EDUCATION—*An increase of Rs.* 1,34,000 *in the revised estimate as compared with the sanctioned grant of the current year, and a decrease of Rs.* 1,00,000 *in the budget of* 1886-87 *as compared with the revised budget for* 1885-86.—The excess in the current year occurs almost exclusively under Grants-in-aid and Payments by results, which have, since 1882-83, considerably exceeded the sanctioned allotments as will appear from the following statement:—

	Grants.	Actuals.	Excess.
	Rs.	Rs.	Rs.
Actuals 1882-83	2,70,760	3,27,191	+ 56,491
1883-84	2,88,000	3,32,821	+ 44,821
1884-85	2,74,000	3,76,537	+ 1,02,537

60. The increase is chiefly due to—

	Rs.
Salary and rent grants to colleges and schools for boys	18,000
Do. do. girls	16,000
Scholarship grants to boys' schools	7,500
Do. do. girls' do.	6,000
Grants to municipalities for net cost of High School department of Government institutions transferred to them	3,500
Grants for feeding and clothing (orphanages)	8,000
Payments by results	12,000
Added by Accountant-General on consideration of the actuals for the first eight months, viz., Rs. 2,38,000	63,000
Total	1,34,000

61. The decrease of Rs. 1,00,000 in the budget estimate for 1886-87 is thus explained. The Director provides Rs. 67,000 less for grants-in-aid in this year than in the revised estimate for 1885-86 because the introduction of the new Grant-in-aid Code from 1st April 1886, will, he thinks, have the effect of reducing expenditure owing to the restrictions imposed by it on grants-in-aid. The remainder of the decrease in the budget for 1886-87, viz. (1,00,000—67,000), Rs. 33,000, occurs under "Government schools, general," owing to the transfer of the cost of the Chicacole, Cuddapah, Kurnool, and Cannanore High Schools, as well as the High School departments of the Rajahmundry, Salem, and Bellary Colleges, to municipalities and private institutions.

62. STATIONERY AND PRINTING—*An increase of Rs.* 2,11,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.—Of this increase, the main portion, viz., Rs. 1,99,000, is due under Imperial to the purchase locally in India of stationery for the Central Depôt at Madras that was formerly supplied from England through the agency of the Secretary of State. Supplies from England to Central Depôts find no place in the accounts of the Presidency—they are charged off finally in the Home accounts—but the cost of stationery purchased locally for supply

to Central Depôts is charged in the Imperial section of the accounts to the provinces concerned.

63. FAMINE RELIEF—*An increase of Rs.* 2,00,000 *in the revised as compared with the original estimate for* 1885-86 *and a decrease of Rs.* 2,70,000 *in the budget for* 1886-87 *as compared with the revised estimate.*—The provision of Rs. 80,000 in the sanctioned budget was on account of the Guntakal-Hindupur Railway, which was undertaken in the early part of the year for relieving the distress in Bellary and Anantapur. The actual expenditure, however, exceeded Rs. 2,72,000 in three months (vide G.O., No. 1268, Financial, dated 14th September 1885). Under the sanction of the Government of India recorded in G.O., No. 181, Revenue, dated 6th February 1885, the charges on this account are for the present to be debited against the Provincial reserve (now reduced to 17 lakhs), and to be eventually recovered from the Government of India, when the construction of the railway is undertaken by that Government as an Imperial work. The provision of Rs. 10,000 for 1886-87 is intended to meet ordinary "fire, flood and epidemic charges."

64. IRRIGATION AND NAVIGATION—*An excess in the revised as compared with the original estimate for* 1885-86 *of Rs.* 2,68,000 *and a decrease of Rs.* 1,65,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate.*—The increase shown under this head in the revised estimate of 1885-86 is due (i) to the cost of restoring the Red Hills lake and Cholaveram tank breached in November 1884 (Rs. 2,21,580), the whole of which was debited to Provincial under Government of India Resolution, No. 269 I., dated 18th October 1885; and (ii) to the transfer of certain project divisions (B and C in Coimbatore and Bellary, the Chilka Lake canal and the Lower Coleroon irrigation project) from Imperial to Provincial under G.O., No. 691 W., dated 14th March 1884, costing Rs. 76,778—an expenditure not foreseen at the time the original budget was prepared; and (iii) to savings under other heads amounting to Rs. 30,358. The budget estimate for 1886-87 was taken at Rs. 4,66,000 or Rs. 1,65,000 less than the revised budget for 1885-86, viz., Rs. 6,31,000 and Rs. 1,03,000 in excess of the original budget for 1885-86, viz., Rs. 3,63,000. The figure for 1886-87 was arrived at thus;

	RS.
Revised estimate for 1885-86	6,31,000
Deduct abnormal charges in 1885-86 for Red Hills tank	2,22,000
Remainder	4,09,000
Add cost of project division transferred from Imperial	77,000
	4,86,000
Deduct net savings under other heads	20,000
Remainder, that is the budget estimate	4,66,000

65. CIVIL BUILDINGS, ROADS AND SERVICES.—The estimates for current and next year under this head stand as follows :—

Civil Buildings, Roads and Services.	Original grant, 1885-86.	Reduced grant, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Reduced grant, 1886-87.	Difference.	
1	2	3	4	5	6	3 & 4	4 & 6
Civil Officers.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Provincial	3,02,000	2,39,000	2,50,000	3,55,000	2,55,000	+ 11,000	+ 5,000
Local	40,90,000	40,90,000	39,25,000	40,50,000	40,50,000	— 1,65,000	+ 1,25,000
Total ..	43,92,000	43,29,000	41,75,000	44,05,000	43,05,000	— 1,54,000	+ 1,30,000
	— 63,000		+ 2,30,000	— 1,00,000			
Public Works Officers.							
Provincial	23,00,000	20,09,000	19,26,000	25,00,000	21,00,000	— 83,000	+ 1,74,000
Local	1,30,000	1,30,000	95,000	1,31,000	1,31,000	— 35,000	+ 36,000
Total ..	24,30,000	21,39,000	20,21,000	26,31,000	22,31,000	— 1,18,000	+ 2,10,000
Difference ..	— 2,91,000		+ 6,10,000	— 4,00,000			

66. The differences between columns 2 and 3 represent the surrenders made in the beginning of the year (vide paragraph 47 supra); while those between 5 and 6 represent the reductions ordered in paragraphs 100 and 101 infra. The variations in the revised estimate for 1885-86, as compared with the reduced grants for 1885-86 and 1886-87, are explained below.

67. *Civil Officers—A decrease of Rs.* 1,54,000 *in the revised as compared with the reduced grant for* 1885-86, *and an increase of Rs.* 1,30,000 *in the reduced budget estimate for* 1886-87 *as compared with the revised estimate.*—The variations under this sub-division occur chiefly under *Local Funds*, owing to provision being generally made in the budgets for a much larger number of works than it is actually found possible to execute in the course of the year. The excess of Rs. 1,30,000 for next year, as compared with this year is due to the same cause, which the following figures will show to have constant operation :—

	Grants.	Actuals.	Difference.
	RS.	RS.	RS.
1882-83	37,82,000	37,81,331	— 669
1883-84	41,59,000	38,78,411	— 2,80,589
1884-85	43,00,000	38,48,814	— 4,51,186

68. *Public Works Officers—A decrease of Rs.* 1,18,000 *in the revised as compared with the reduced grant of the current year, and an increase of Rs.* 2,10,000 *in the reduced budget estimate for* 1886-87 *as compared with the revised estimate.*—Here the variations occur chiefly under *Provincial Services.* The decrease in the current year is due to the restriction of expenditure in accordance with the orders issued in that behalf. The original grant for 1886-87 was fixed at Rs. 25,00,000, the average grant for the 3 years ending 1884-85 was Rs. 21,50,000, and when, owing to financial difficulties, it became necessary to revise the budget grant for 1886-87, the Provincial allotment was fixed at Rs. 21,00,000, or half-a-lakh less than the average.

69. EXCHANGE ON TRANSACTIONS WITH LONDON.—*A decrease of Rs.* 5,01,000 *in the revised as compared with the original estimate of* 1885-86. The budget provision under this head is finally determined by the Comptroller-General, who distributes the total drawings of the Secretary of State on India according to the proportions debitable to each presidency. The original estimate for 1885-86 was fixed at Rs. 21,33,000, but the actuals of its first 8 months, viz., Rs. 6,41,000, added to the actuals of the last 4 months of 1884-85, viz., Rs. 9,52,000, amount only to Rs. 16,00,000 in round numbers. The revised estimate of Rs. 16,32,000 has been evidently fixed on consideration of this figure. The same figure is repeated for 1886-87. There is no information here as to the final causes of variations. The charge is wholly Imperial.

(B.) PROVINCIAL.

70. INTRODUCTION.—The following is an abstract of Appendix D which deals with that portion of the budget statements which appertains to Provincial services only :—

——	Original estimate of 1885-86.	Revised estimate of 1885-86.	Budget estimate of 1886-87.	Revised compared with original.	Budget compared with revised.
	RS.	RS.	RS.	RS.	RS.
Opening balance ..	21,23,000	20,83,000	23,92,000	— 40,000	+ 3,09,000
Receipts.					
Land Revenue	137,67,000	131,28,000	133,92,000	— 6,39,000	+ 2,64,000
Excise	41,13,000	43,70,000	42,40,000	+ 2,57,000	— 1,30,000
Other heads (with variations below a lakh)	66,39,000	68,83,000	69,31,000	+ 2,44,000	+ 48,000
Total ..	245,19,000	243,81,000	245,63,000	— 1,38,000	+ 1,82,000
Grand Total ..	266,42,000	264,64,000	269,55,000	— 1,78,000	+ 4,91,000

—	Sanctioned grant, 1885-86.	Reduced grant, 1885-86.	Revised budget, 1885-86.	Budget estimate, 1886-87.	Difference.		
	1	2	3	4	1 & 2	2 & 3	3 & 4
Charges.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Land Revenue	50,52,000	45,10,000	44,95,000	46,18,000	— 5,42,000	— 15,000	+1,23,000
Excise	1,27,000	1,27,000	..	..	..	—1,27,000	..
Forest	11,22,000	10,22,000	10,18,000	12,10,000	— 1,00,000	— 4,000	+1,92,000
Law and Justice	47,78,000	47,78,000	47,43,000	48,94,000	..	— 35,000	+1,51,000
Education	11,09,000	11,09,000	12,47,000	11,46,000	..	+1,38,000	—1,01,000
Famine relief	80,000	80,000	2,80,000	10,000	..	+2,00,000	—2,70,000
Irrigation and Navigation	3,63,000	3,63,000	6,31,000	4,66,000	..	+2,68,000	—1,65,000
Civil Buildings (Public Works dept.).	23,00,000	20,09,000	19,26,000	25,00,000	— 2,91,000	— 83,000	+5,74,000
Other heads (with variations below a lakh)	96,76,000	94,65,000	97,32,000	99,89,000	— 2,11,000	+2,67,000	+2,67,000
Total ..	246,07,000	234,63,000	240,72,000	248,33,000	— 11,44,000	+6,09,000	+7,61,000
Closing balance ..	20,35,000	31,79,000	23,92,000	21,22,000	+ 11,44,000	—7,87,000	—2,70,000

71. From this it will appear that, according to the revised budget for 1885-86, the receipts show a decrease of Rs. 1,78,000 on the original estimate, and that the budget estimate for 1886-87 shows an increase in receipts of Rs. 4,91,000 as compared with the revised budget of 1885-86.

72. On the expenditure side of the account again the original estimate of 1885-86, viz., Rs. 246,07,000, was, in response to the call made in April last by the Government of India, reduced to Rs. 234,63,000, or by Rs. 11,44,000. As compared with the original grant the revised budget for 1885-86 shows a decrease of Rs. 5,35,000, but as compared with the reduced grant, the revised budget for 1885-86 shows an increase of Rs. 6,09,000, while the budget for 1886-87 is in excess of the revised budget for 1885-86 by Rs. 7,61,000.

73. VARIATIONS.—The only variations that require special notice here are those under Land Revenue "Receipts." The other variations have been fully explained when dealing with the consolidated budget (vide supra paragraphs 36 to 69). The variations under Land Revenue receipts are explained as follows:—

74. *A decrease of Rs.* 6,39,000 *in the revised as compared with the original estimate of* 1885-86.—The Provincial share of Land Revenue was thus arrived at:—

—		Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Revised with original.	Budget with revised.
		RS.	RS.	RS.	RS.	RS.
	(1) Total Land Revenue according to Board's estimate	465,75,000	450,00,000	457,00,000	— 15,75,000	+ 7,00,000
	(2) Provincial share at 28·8073 per cent. ..	134,17,000	129,63,000	131,65,000	— 4,54,000	+ 2,02,000
Adjustments by Acct.-Genl.	*Add*— (3) Net addition on account of adjustments between Imperial and Provincial (*other than Excise charges, vide* Appendix F.)	3,50,000	3,44,000	3,49,000	— 6,000	+ 5,000
	Total ..	137,67,000	133,07,000	135,14,000	— 4,60,000	+ 2,07,000
	Deduct— (4) Provincial share (*i.e.*, half) of Excise charges	..	1,79,000	1,22,000	+ 1,79,000	— 57,000
	Total (Provincial share) ..	137,67,000	131,28,000	133,92,000	— 6,39,000	+ 2,64,000

75. The minus difference, Rs. 4,54,000, between the receipts under Land Revenue of the Board's revised estimate for 1885-86 and those of the original estimate is the share at 28·8073 of the decrease of 15¾ lakhs under Land Revenue that was explained under the same heads when dealing with the consolidated budget (vide supra para. 15).

76. The deduction from the Provincial share of Land Revenue of "Excise" charges amounting to Rs. 1,79,000 is thus explained. When the original budget for 1885-86 was framed, "Excise" was shown on the expenditure side as a separate major head of account. On the subsequent amalgamation of "Excise" with "Salt," the former disappeared from the expenditure side of the account as a consequence of the orders of the Government of India * under which all charges on account of it are debited in the first instance to "Salt" (Imperial), and adjusted afterwards by deducting the Provincial share of them (= ½) from Land Revenue—the only adjusting head as between Imperial and Provincial.

* G.O., No. 1091, Revenue, dated 25th September 1885.

77. The sum of the foregoing two items, viz., Rs. 4,54,000 and Rs. 1,79,000, is Rs. 6,33,000. If to this be added the Rs. 6,000 of decrease in the revised as compared with the original budget for 1885-86, that represent the net addition of adjustments ("other than Excise") between Imperial and Provincial (vide Appendix F), the difference of Rs. 6,39,000 to be explained is arrived at.

78. *An increase of Rs.* 2,64,000 *in the budget estimate for* 1886-87 *as compared with the revised estimate for* 1885-86.—The Land Revenue share of this, viz., Rs. 2,02,000, is the Provincial share at 28·8073 per cent. of the increase of Rs. 6,96,000 in the consolidated budget under this head dealt with and explained in para. 16 supra. The main part of the remainder (Rs. 62,000) viz., Rs. 57,000, is the difference between the estimated adjustment under Land Revenue for Excise charges in 1886-87, viz., Rs. 1,22,000, and the amount entered in the revised budget for 1885-86, viz., Rs. 1,79,000. These items have been explained (paras. 50 to 52 supra) in dealing with the consolidated budget.

79. The remaining Rs. 5,000 of the amount to be explained is the net addition of adjustments ("other than Excise") between Imperial and Provincial (vide Appendix F).

80. FINANCIAL POSITION OF PROVINCIAL SERVICES.—The financial position of "Provincial services" then is in brief this.

81. The year 1884-85 closed with a balance of Rs. 20,83,000, or Rs. 40,000 less than the estimated balance of Rs. 21,23,000. The current year 1885-86 is estimated to close with a balance of Rs. 23,92,000, and the year 1886-87 with a balance of Rs. 21,22,000. Both of these sums include the Rs. 11,44,000 that were surrendered to the Government of India in June 1885. Should, therefore, that Government find it eventually necessary to retain that amount, the position at the close of 1885-86 will be as follows:—

	RS.
Closing balance	23,92,000
Deduct standing balance	17,00,000
Remainder	+ 6,92,000
Deduct surrender to India	11,44,000
Deficit	— 4,52,000

and at the close of 1886-87 the position will, on the budget estimates as passed for that year, be as follows:—

	RS.
Closing balance	21,22,000
Deduct standing balance	17,00,000
Remainder	+ 4,22,000
Deduct surrender to India	11,44,000
Deficit	— 7,22,000

82. To secure an equilibrium therefore that may possibly be disturbed, it becomes necessary to consider what modifications may be made in the budget for 1886-87 as already passed. There are but two ways in which this can be effected: the one is by increasing receipts, the other by reducing expenditure.

83. MEASURES FOR INCREASING RECEIPTS.—The only heads of account under which it seems possible to raise the estimates of receipts are "Stamps" and "Registration."

84. *Stamps.*—The following are the actuals of the last three years:—

	RS.
1882-83	52,08,370
1883-84	56,24,862
1884-85	56,49,032

85. The increase-differences between these years are in the first case Rs. 4,16,492 and in the second case Rs. 24,170.

86. The large increase in 1883-84 over the figures of 1882-83 was due to the introduction from 1st March 1883 of 2-anna stamp papers for copies in lieu of the 1-anna papers that were formerly in use.

87. The actuals for the first eight months of the current year 1885-86 were Rs. 38,81,533, and the actuals of the last four months of 1884-85 amounted to Rs. 19,19,094. The sum of these two amounts is Rs. 58,00,627. The original estimate for the current year 1885-86 was Rs. 56,50,000, and this figure is taken by the Board for both the revised estimate of 1885-86 and the budget estimate of 1886-87. The Board based their estimates on the consideration that the actuals of the last four months of 1884-85 were abnormally swelled by purchases of stamps for large values by certain Zemindars having money transactions in Madras.

88. The actuals for the first eight months of the current year, however, exceeded the actuals (Rs. 37,29,938) for the corresponding period of 1884-85 by Rs. 1,51,595.

89. The Accountant-General thinks, therefore, that the progressive increase in the stamp revenue is due, not to exceptional, but to general, causes, and suggests that 57½ lakhs would be a more reasonable estimate for the revised budget of 1885-86 than 56½; on the same ground, he would put the budget estimate for 1886-87 at 57 lakhs. But as the revenue under this head is clearly progressive, it would seem more reasonable to fix the revised budget for 1885-86 at 57 lakhs and the budget estimate for 1886-87 at 57½, and these figures will accordingly be adopted, and Provincial receipts will thus be increased by Rs. 25,000 in the current year and by Rs. 50,000 in the budget estimate for 1886-87.

90. *Registration.*—The actuals for the last three years were:—

	RS.
1882-83	5,79,446
1883-84	6,32,067
1884-85	7,58,407

91. The increase-differences between these three sets of figures are, in the first case Rs. 52,621, and in the second case Rs. 1,26,340.

92. The large increase in 1884-85, as compared with 1883-84, is due to a revised and increased scale of registration fees from 1st May 1884.

93. The actuals for the first eight months of 1885-86 were Rs. 6,28,483, and the actuals for the last four months of 1884-85 amounted to Rs. 2,41,331. The sum of these two amounts is Rs. 8,69,814. The original estimate for 1885-86 was Rs. 7,00,000. The revenue is steadily progressive, and the Accountant-General, on consideration of the foregoing figures, fixed both the revised estimate for 1885-86 and the budget estimate for 1886-87 at Rs. 8,25,000, but remarked that if the progress of the first eight months of the current year was maintained up to December (1885), the revised estimate might be raised to Rs. 8,50,000. The actuals up to 31st December 1885 were Rs. 7,00,149, or in nine months Rs. 149 in excess of the original budget estimate for the whole year. At the same rate of progress, the receipts for 1885-86 would be Rs. 9,33,532. The suggestion of the Accountant-General may therefore be safely adopted, and the revised budget for the current year will be raised from Rs. 8,25,000 to Rs. 8,50,000, and the budget estimate for 1886-87 from Rs. 8,25,000 to Rs. 9,00,000. The Provincial share of the increase for 1886-87 is Rs. 37,500.

94. MEASURES FOR REDUCING EXPENDITURE.—On a review of the proposed grants for 1886-87, the following reductions will be made.

95. *Police.*—In the budget of this department are entered Rs. 14,088, the cost of 138 men provided for guarding the Central Jails and the Penitentiary at Madras. Provision for this duty is made in the Jail department under the jail guard scheme. The amount will therefore be struck out from the Police budget. The share of police "contingencies" due to this amount, viz., Rs. 1,500, will also be deducted from the budget, making a total deduction under the item of Rs. 15,588.

96. Subjoined is a statement showing the estimates and actuals for the last three years under the following heads.

Years.	Salaries and Establishments.			Salaries, Establishments and Contingencies (*i.e.*, the whole Budget).		
	Actuals.	Sanctioned estimate.	Savings.	Actuals.	Total grants.	Savings.
	RS.	RS.	RS.	RS.	RS.	RS.
1882-83	32,14,016	32,63,994	49,978	36,05,480	37,23,000	1,17,520
1883-84	32,35,781	33,08,157	72,376	36,45,310	37,60,000	1,14,690
1884-85	31,94,437	32,64,893	70,456	36,77,945	37,10,000	32,055 *
			3)1,92,810			3)2,64,265
			64,270			88,088

* Reduction due to large expenditure last year on warm clothing and carbines—an expenditure not likely to recur for some time.

97. From this it appears that the average saving on "Salaries and Establishments" was nearly Rs. 65,000 a year, and on "Salaries, Establishments and Contingencies" considerably more than Rs. 80,000 a year. A deduction of Rs. 60,000 may therefore safely be made from the budget, and this added to the saving under "Jail guards," say, Rs. 15,000, makes a total deduction of Rs. 75,000.

98. *Marine.*—The Rs. 20,000 provided as a subsidy to a steam ship company in view to securing regular sea postal communication with the northern ports will be struck out, as the Director-General of Post Offices has recently intimated that he has made arrangements with the British India Steam Navigation Company which will secure the object aimed at without expense to this Government.

99. *Irrigation and Navigation.*—The grant for 1886-87 will be reduced from Rs. 4,66,000 to Rs. 3,66,000, or by a lakh. The grant will still be Rs. 3,000 in excess of the sanctioned estimate for the current year.

100. *Civil Buildings—Roads and Services in charge of Civil Officers.*—The grant for 1886-87 will be reduced by a lakh, that is to say, from Rs. 3,55,000 to Rs. 2,55,000, which is Rs. 5,000 in excess of the revised estimate for 1885-86 and Rs. 16,000 higher than the reduced grant for 1885-86.

101. *Civil Buildings, &c., in charge of Public Works Department.*—The grant for 1886-87 will be reduced by 4 lakhs, or from Rs. 25,00,000 to Rs. 21,00,000; the reduced grant will be Rs. 1,74,000 in excess of the revised budget for 1885-86, and Rs. 91,000 higher than the reduced grant for the same year.

102. SUMMARY.—The sum of these additions and reductions is as follows:—

	RS.
A. Receipts—	
(1) Stamps	50,000
(2) Registration	37,500
B. Grants—	
(1) Police	75,000
(2) Marine	20,000
(3) Irrigation and Navigation	1,00,000
(4) Works—	
(*a*) Civil officers	1,00,000
(*b*) Department Public Works	4,00,000
Total ..	7,82,500

103. The deficit that would result from the permanent retention by the Government of India of the Rs. 11,44,000 surrendered to them last year being (*supra* para. 81) Rs. 7,22,000, the modifications now ordered establish equilibrium and leave a surplus of Rs. 60,000, but the revision of Revenue establishments, Rs. 4,50,000 provided for which in the budget of 1885-86 were included in the surrenders to the Government of India must remain in abeyance.

104. The result of these modifications is that the receipts of the budget estimate for 1886-87 will be raised from Rs. 245,63,000 to Rs. 246,50,000 and the expenditure reduced from Rs. 248,33,000 to Rs. 241,38,000, while the closing balance will be raised from an estimate of Rs. 21,22,000 to an estimate of Rs. 29,41,000.

(True Extract.)

W. Wilson

Acting Chief Secretary.

To all Departments of the Secretariat.
" the Accountant-General.

ENDORSEMENT—17th March 1886, No. 230, Financial.

Copy to the Government of India, Department of Finance and Commerce, in continuation of letter hence, No. 59, dated 19th January 1886.

W. WILSON,
Acting Chief Secretary.

Exd. T. O'Connor.

ANNEXURE.

APPENDIX A.—Abstract of the Consolidated Budget Estimate of 1886-87, as submitted by the Accountant-General.

Abstract of the consolidated Budget Estimate of 1886-87.	Actuals of 1884-85.				Budget Estimate of 1885-86.				Revised Estimate of 1885-86.				Budget Estimate of 1886-87.			
	Imperial.	Provincial.	Local.	Total	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Opening Balance	Rs. ..	Rs. 29,56,073	Rs. 48,88,086	Rs. ..	Rs. ..	Rs. 21,23,000	Rs. 39,94,000	Rs. ..	Rs. ..	Rs. 20,83,000	Rs. 45,26,000	Rs. ..	Rs. ..	Rs. 23,92,000	Rs. 42,48,000	Rs. ..
Receipts.																
(*a*) Civil accounts as per budget statement compiled by the Accountant-General.	569,83,469	232,97,261	84,83,525	887,64,255	601,44,000	241,93,000	87,76,000	931,13,000	580,09,000	240,06,000	87,32,000	907,47,000	589,32,000	241,97,000	88,29,000	919,58,000
(*b*) Public Works transactions as per Departmental budget.	..	1,31,924	3,445	1,35,369	..	1,49,000	6,000	1,55,000	..	1,33,000	6,000	1,39,000	..	1,34,000	6,000	1,40,000
(*c*) Contributions as per annexure to budget statement submitted by the Acctt.-Genl.	..	1,87,903	3,85,987	5,73,890	..	1,77,000	3,18,000	4,95,000	..	2,42,000	3,62,000	6,04,000	..	2,32,000	3,96,000	6,28,000
Total Receipts ..	569,83,469	236,17,088	88,72,957	894,73,514	601,44,000	245,19,000	91,00,000	937,63,000	580,09,000	243,81,000	91,00,000	914,90,000	589,32,000	245,63,000	92,31,000	927,26,000
Grand Total ..	..	265,73,161	137,61,043	..	..	266,42,000	130,94,000	..	..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..
Charges.																
(*a*) Civil accounts as per budget statement of the Acctt.-Genl.	98,40,569	212,38,880	88,51,833	399,31,282	95,79,000	217,03,000	91,55,000	404,37,000	89,19,000	212,30,000	89,27,000	390,76,000	94,12,000	215,41,000	90,42,000	399,95,000
(*b*) Public Works transactions as per Departmental budget.	..	29,80,872	79,876	30,60,748	..	27,00,000	1,30,000	28,30,000	..	25,94,000	95,000	26,89,000	..	30,00,000	1,31,000	31,31,000
(*c*) Contributions as per annexure to budget statement submitted by the Acctt.-Genl.	..	2,70,171	3,03,719	5,73,890	..	2,04,000	2,91,000	4,95,000	..	2,48,000	3,56,000	6,04,000	..	2,92,000	3,36,000	6,28,000
Total Charges ..	98,40,569	244,89,923	92,35,428	435,65,920	95,79,000	246,07,000	95,76,000	437,62,000	89,19,000	240,72,000	93,78,000	423,69,000	94,12,000	248,33,000	95,09,000	437,54,000
Closing Balance ..	..	20,83,238	45,25,615	..	..	20,35,000	35,18,000	..	..	23,92,000	42,48,000	..	..	21,22,000	39,70,000	..

APPENDIX B.—Detailed Account of Imperial, Provincial, and Local Revenues

Revenue.	Actuals, 1884-85.			
	Imperial.	Provincial.	Local.	Total.
	RS.	RS.	RS.	RS.
Opening Balance	..	29,56,073	44,00,186	..
			* 4,87,900	..
Principal Heads of Revenue.				
I. Land Revenue	306,06,997	131,50,023	10,69,045	448,26,065
III. Salt	137,53,694	45,101	..	137,98,795
IV. Stamps	28,24,516	28,24,516	..	56,49,032
V. Excise	38,66,317	38,66,318	..	77,32,635
VI. Provincial Rates	..	..	61,33,732	61,33,732
VII. Customs	9,72,609	24,524	..	9,97,133
VIII. Assessed Taxes	2,16,381	2,16,381	..	4,32,762
IX. Forest	..	11,66,914	..	11,66,914
X. Registration	3,79,204	3,79,203	..	7,58,407
XI. Tributes	34,46,430	..	..	34,46,430
Post Office, Telegraph, and Mint.				
XII. Post Office	..	15	..	15
XIII. Telegraph	..	..	..	..
XIV. Mint	654	..	..	654
Receipts by Civil departments.				
XV. Law and Justice	..	6,16,369	..	6,16,369
XVI. Police	..	3,22,046	..	3,22,046
XVII. Marine	..	5,067	..	5,067
XVIII. Education	..	2,10,861	88,659	2,99,520
XIX. Medical	..	87,964	20,423	1,08,387
XX. Scientific, &c., departments	..	1,72,905	..	1,72,905
Miscellaneous.				
XXI. Interest	5,73,129	2,342	84,505	6,59,976
XXII. Superannuation	3,30,712	21,782	373	3,52,867
XXIII. Stationery, &c.	..	82,842	..	82,842
XXIV. Miscellaneous	12,826	72,729	4,28,567	5,14,122
Receipts on account of Public Works not classed as Productive.				
XXXI. Irrigation and Navigation (P.W.D.)	..	52,717	..	52,717
XXXIII. Civil Buildings, Roads and Services—				
Civil Officers	..	29,359	6,58,221	6,87,580
P. W. Officers	..	79,207	3,445	82,652
Total, Civil ..	569,83,469	232,97,261	84,83,525	887,64,255
Total, P.W.D. ..	..	1,31,924	3,445	1,35,369
Contributions ..	..	1,87,903	3,85,987	5,73,890
Total, Receipts ..	569,83,469	236,17,088	88,72,957	894,73,514
Grand Total, Provincial and Local, including Opening Balance	..	265,73,161	137,61,043	..

* Represents the value of Government Securities hitherto held by Local Fund Boards outside the Government accounts now adjusted in the accounts.

from 1884-85 to 1886-87, as submitted by the Accountant-General.

Revised Estimate, 1885-86.				Budget Estimate, 1886-87.			
Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
..	20,83,000	45,26,000	..	..	23,92,200	42,48,000	..
318,72,000	131,28,000	10,79,000	460,79,000	323,08,000	133,92,000	10,75,000	467,75,000
130,66,000	1,37,000	..	132,03,000	134,76,000	1,37,000	..	136,13,000
28,25,000	28,25,000	..	56,50,000	28,25,000	28,25,000	..	56,50,000
43,70,000	43,70,000	..	87,40,000	42,40,000	42,40,000	..	84,80,000
..	..	63,03,000	63,03,000	..	..	64,37,000	64,37,000
9,00,000	27,000	..	9,27,000	10,70,000	27,000	..	10,97,000
2,30,000	2,30,000	..	4,60,000	2,30,000	2,30,000	..	4,60,000
..	12,22,000	..	12,22,000	..	13,10,000	..	13,10,000
4,12,000	4,13,000	..	8,25,000	4,12,000	4,13,000	..	8,25,000
34,46,000	..	..	34,46,000	34,46,000	..	..	34,46,000
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	..	..	..	..	..	..	..
..	5,73,000	..	5,73,000	..	5,94,000	..	5,94,000
..	3,30,000	..	3,30,000	..	3,30,000	..	3,30,000
..	6,000	..	6,000	..	6,000	..	6,000
..	1,94,000	1,06,000	3,00,000	..	1,83,000	1,08,000	2,91,000
..	1,24,000	18,000	1,42,000	..	1,20,000	19,000	1,39,000
..	1,94,000	..	1,94,000	..	1,80,000	..	1,80,000
5,34,000	3,000	77,000	6,14,000	5,64,000	3,000	77,000	6,44,000
3,44,000	24,000	1,000	3,69,000	3,44,000	24,000	1,000	3,69,000
..	93,000	..	93,000	..	78,000	..	78,000
10,000	81,000	4,63,000	5,54,000	17,000	75,000	4,27,000	5,19,000
..	53,000	..	53,000	..	54,000	..	54,000
..	32,000	6,85,000	7,17,000	..	30,000	6,85,000	7,15,000
..	80,000	6,000	86,000	..	80,000	6,000	86,000
580,09,000	240,06,000	87,32,000	907,47,000	589,32,000	241,97,000	88,29,000	919,58,000
..	1,33,000	6,000	1,39,000	..	1,34,000	6,000	1,40,000
..	2,42,000	3,62,000	6,04,000	..	2,32,000	3,96,000	6,28,000
580,09,000	243,81,000	91,00,000	914,90,000	589,32,000	245,63,000	92,31,000	927,26,000
..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..

APPENDIX C.—Detailed Account of Imperial, Provincial, and Local Expenditure from 1884-85 to 1886-87, as submitted by the Accountant-General.

Expenditure.	Actuals 1884-85.				Revised Estimate, 1885-86.				Budget Estimate, 1886-87.			
	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.	Imperial.	Provincial.	Local.	Total.
	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.	RS.
Interest.												
1. Interest on ordinary debt	7,578	..	..	7,578	8,000	..	..	8,000	9,000	..	..	9,000
2. Interest on other obligations	8,05,829	..	11,234	8,17,063	8,52,000	..	11,000	8,63,000	9,04,000	..	12,000	9,16,000
Direct Demands on the Revenues.												
3. Refunds	1,72,425	89,552	10,680	2,72,657	1,63,000	89,000	11,000	2,63,000	1,30,000	71,000	9,000	2,10,000
4. Assignments and compensations	11,61,309	..	..	11,61,309	11,60,000	..	..	11,60,000	11,63,000	..	..	11,63,000
Charges in respect of collections.												
5. Land Revenue	..	47,42,550	31,63,667	79,06,217	..	44,95,000	31,70,000	76,65,000	..	46,18,000	31,72,000	77,90,000
7. Salt	16,31,549	..	..	16,31,549	16,04,000	..	..	16,04,000	17,63,000	..	..	17,63,000
8. Stamps	83,979	83,978	..	1,67,957	80,000	80,000	..	1,60,000	80,000	80,000	..	1,60,000
9. Excise	1,16,216	1,16,216	..	2,32,432	..	..	..	..	..	..	..	..
10. Provincial Rates	..	..	..	..	..	..	..	..	..	..	..	..
11. Customs	..	1,60,128	..	1,60,128	..	1,68,000	..	1,68,000	..	1,68,000	..	1,68,000
12. Assessed Taxes	3,487	3,487	..	6,974	3,000	4,000	..	7,000	4,000	4,000	..	8,000
13. Forest	..	8,95,454	..	8,95,454	..	10,18,000	..	10,18,000	..	12,10,000	..	12,10,000
14. Registration	2,64,419	2,64,419	..	5,28,838	2,91,000	2,90,000	..	5,81,000	3,02,000	3,02,000	..	6,04,000
Post Office, Telegraph and Mint.												
15. Post Office	..	1,11,086	..	1,11,086	..	1,09,000	..	1,09,000	..	1,07,000	..	1,07,000
Salaries and Expenses of Civil Departments.												
18. General Administration	2,96,257	10,50,850	1,23,735	14,70,842	3,05,000	10,78,000	1,09,000	14,92,000	3,06,000	10,53,000	1,08,000	14,67,000
19. Law and Justice	..	47,47,782	..	47,47,782	..	47,43,000	..	47,43,000	..	48,94,000	..	48,94,000
20. Police	31,521	38,22,745	..	38,54,266	24,000	38,06,000	..	38,30,000	28,000	38,51,000	..	38,79,000
21. Marine	..	27,294	..	27,294	..	20,000	..	20,000	..	39,000	..	39,000
22. Education	..	12,37,040	6,60,716	18,97,756	..	12,47,000	6,90,000	19,37,000	..	11,46,000	6,91,000	18,37,000
23. Ecclesiastical	3,41,861	..	..	3,41,861	3,51,000	..	..	3,51,000	3,60,000	..	..	3,60,000
24. Medical	..	11,18,521	5,50,637	16,69,158	3,51,000	12,04,000	5,15,000	17,19,000	..	12,27,000	5,20,000	17,47,000
25. Political	2,11,876	..	..	2,11,876	2,07,000	..	..	2,07,000	2,03,000	..	..	2,03,000
26. Scientific, &c., departments	9,303	3,67,714	..	3,77,017	12,000	3,59,000	..	3,71,000	27,000	3,84,000	..	4,11,000
Miscellaneous, Civil Charges.												
27. Territorial and Political Pensions..	10,33,803	..	..	10,33,803	10,34,000	..	..	10,34,000	11,00,000	..	..	11,00,000
28. Civil Furlough	90,614	..	..	90,614	2,000	..	..	2,000	..	..	..	..
29. Superannuations	10,21,508	9,16,097	4,492	19,42,097	10,62,000	9,53,000	5,000	20,20,000	10,77,000	9,76,000	5,000	20,58,000
30. Stationery	1,07,133	7,59,391	..	8,66,524	1,00,000	7,60,000	..	8,60,000	2,99,000	7,72,000	..	10,71,000
31. Miscellaneous	26,536	2,82,117	4,77,858	7,86,571	29,000	2,77,000	4,91,000	7,97,000	25,000	2,74,000	4,75,000	7,74,000
Famine Relief and Insurance.												
32. Famine Relief	..	57,110	..	57,110	..	2,80,000	..	2,80,000	..	10,000	..	10,000
Expenditure on Public Works not classed as Productive.												
40. State Railways (Capital Account) (P.W.D.)	..	6,002	..	6,002	..	37,000	..	37,000	..	34,000	..	34,000
44. Irrigation and Navigation (P.W.D.) ..	..	4,44,979	..	4,44,979	..	6,31,000	..	6,31,000	..	4,66,000	..	4,66,000
46. Civil Buildings, Roads and Services—												
Civil Officers	..	3,85,349	38,48,814	42,34,163	..	2,50,000	39,25,000	41,75,000	..	3,55,000	40,50,000	44,05,000
P.W. Officers	..	25,29,891	79,876	26,09,767	..	19,26,000	95,000	20,21,000	..	25,00,000	1,31,000	26,31,000
Exchange.												
49. Exchange on transaction with London ..	24,23,306	..	..	24,23,306	16,32,000	..	..	16,32,000	16,32,000	..	..	16,32,000
Total Civil ..	98,40,569	212,38,880	88,51,833	399,31,282	89,19,000	212,30,000	89,27,000	390,76,000	94,12,000	215,41,000	90,42,000	399,95,000
Total P.W.D. ..	..	29,80,872	79,876	30,60,748	..	25,94,000	95,000	26,89,000	..	30,00,000	1,31,000	31,31,000
Contributions ..	..	2,70,171	3,03,719	5,73,890	..	2,48,000	3,56,000	6,04,000	..	2,92,000	3,36,000	6,28,000
Total Charges ..	98,40,569	244,89,923	92,35,428	435,65,920	89,19,000	240,72,000	93,78,000	423,69,000	94,12,000	248,33,000	95,09,000	437,54,000
Closing Balance ..	..	20,83,288	45,25,615	..	..	23,92,000	42,48,000	..	..	21,22,000	39,70,000	..
Grand Total (Provincial and Local) including closing balance	..	265,73,161	137,61,043	..	..	264,64,000	136,26,000	..	..	269,55,000	134,79,000	..
Provincial and Local { *Surplus* ..	..	..	..	..	..	3,09,000	..	31,000	..	..	..	..
Deficit ..	..	8,72,835	3,62,471	12,35,306	..	..	2,78,000	..	..	2,70,000	2,78,000	5,48,000

APPENDIX D.—Abstract Statement of Provincial Services from 1882-83 to 1886-87, with the estimates as now modified by Government.

No.	Receipts.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Budget estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
		RS.	RS.	RS.	RS.	RS.	RS.
	Opening balance ..	17,42,604	28,26,806	29,56,073	21,23,000	20,83,000	24,29,000
I..	Land Revenue ..	137,21,437	137,82,187	131,50,023	137,67,000	131,28,000	133,92,000
III..	Salt	25,348	38,337	45,101	58,000	1,37,000	1,37,000
IV..	Stamps	26,04,185	28,12,431	28,24,516	28,25,000	28,50,000	28,75,000
V..	Excise	32,29,209	33,05,992	38,66,318	41,13,000	43,70,000	42,40,000
VII..	Customs	38,009	40,495	24,524	30,000	27,000	27,000
VIII..	Assessed taxes ..	2,30,184	2,33,137	2,16,381	2,35,000	2,30,000	2,30,000
IX..	Forest	9,06,442	9,53,704	11,66,914	12,22,000	12,22,000	13,10,000
X..	Registration	2,89,723	3,16,034	3,79,203	3,50,000	4,25,000	4,50,000
XII..	Post office	..	3	15	..	..	..
XV..	Law and Justice ...	7,49,603	5,80,753	6,16,369	5,96,000	5,73,000	5,94,000
XVI..	Police	3,74,362	3,30,672	3,22,046	3,10,000	3,30,000	3,30,000
XVII..	Marine	5,311	5,446	5,067	6,000	6,000	6,000
XVIII.	Education	1,89,299	2,12,823	2,10,861	2,31,000	1,94,000	1,83,000
XIX..	Medical	61,909	1,08,166	87,964	90,000	1,24,000	1,20,000
XX..	Scientific, &c., depts. ..	1,94,860	1,57,008	1,72,905	1,64,000	1,94,000	1,80,000
XXI..	Interest	2,342	3,294	2,342	3,000	3,000	3,000
XXII .	Superannuation ..	56,173	23,279	21,782	26,000	24,000	24,000
XXIII.	Stationery Printing ..	81,950	72,877	82,842	74,000	93,000	78,000
XXIV.	Miscellaneous	75,960	79,059	72,729	63,000	81,000	75,000
XXXI..	Irrigation and Navigation (P.W.D.) ..	1,40,463	55,683	52,717	49,000	53,000	54,000
XXXIII	Civil Buildings, &c.— Civil Officers ..	6,279	9,967	29,359	30,000	32,000	30,000
	P.W.D	72,859	1,36,678	79,207	1,00,000	80,000	80,000
	Total Civil ..	228,42,584	230,65,664	232,97,261	241,93,000	240,43,000	242,84,000
	Total P.W.D. ..	2,13,322	1,92,361	1,31,924	1,49,000	1,33,000	1,34,000
	Contributions from Local	5,73,826	2,36,145	1,87,903	1,77,000	2,42,000	2,32,000
	Total Receipts ..	236,29,732	234,94,170	236,17,088	245,19,000	244,18,000	246,50,000
	Add balances of abolished Local Funds ..	..	34,742	..	..	..	..
	Grand Total, including opening balance ..	253,72,336	263,55,718	265,73,161	266,42,000	265,01,000	270,79,000

No.	Charges.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Budget estimate, 1885-86 *.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
		RS.	RS.	RS.	RS.	RS.	RS.
3	Refunds	99,213	1,77,596	89,552	72,000	89,000	71,000
5	Land Revenue	43,79,975	45,67,890	47,42,550	45,10,000	44,95,000	46,18,000
8	Stamps	71,402	77,602	83,978	80,000	80,000	80,000
9	Excise	98,658	99,734	1,16,216	1,27,000	..	..
11	Customs	1,85,415	1,70,005	1,60,128	1,70,000	1,68,000	1,68,000
12	Assessed taxes	2,827	3,399	3,487	5,000	4,000	4,000
13	Forest	6,44,865	7,85,690	8,05,454	10,22,000	10,18,000	12,10,000
14	Registration	2,25,789	2,41,316	2,64,419	2,76,000	2,90,000	3,02,000
15	Post office	1,05,294	1,18,466	1,11,086	1,07,000	1,09,000	1,07,000
18	General Administration ..	10,54,188	10,07,351	10,50,850	10,10,000	10,78,000	10,53,000
19	Law and Justice	47,34,996	46,63,809	47,47,782	47,78,000	47,43,000	48,94,000
20	Police	37,52,473	37,84,108	38,22,745	38,28,000	38,06,000	37,76,000
21	Marine	5,311	8,168	27,294	18,000	20,000	19,000
22	Education	11,00,397	11,65,490	12,37,040	11,09,000	12,47,000	11,46,000
24	Medical	10,22,783	10,85,091	11,18,521	11,42,000	12,04,000	12,27,000
26	Scientific, &c., departments.	5,18,194	3,97,608	3,67,714	3,67,000	3,59,000	3,84,000
29	Superannuation	8,40,274	8,61,750	9,16,097	9,19,000	9,53,000	9,76,000
30	Stationery and Printing ..	7,25,495	8,51,265	7,59,391	7,46,000	7,60,000	7,72,000
31	Miscellaneous	2,77,363	2,58,645	2,82,117	2,45,000	2,77,000	2,74,000
32	Famine relief	1,35,319	32,023	57,110	80,000	2,80,000	10,000
40	State Railways Capital Account (P.W.D.)	7,941	11,720	6,002	37,000	37,000	34,000
44	Irrigation and Navigation (P.W.D.)	3,53,102	3,33,244	4,44,979	3,63,000	6,31,000	3,66,000
46	Civil Buildings, &c.— Civil officers	2,84,747	2,64,611	3,85,349	2,39,000	2,50,000	2,55,000
	P.W.D.	17,16,768	21,95,793	25,29,891	20,09,000	19,26,000	21,00,000
	Total Civil ..	202,70,978	206,21,617	212,38,880	208,50,000	212,30,000	213,46,000
	Total P.W.D. ..	20,77,811	25,40,757	29,80,872	24,09,000	25,94,000	25,00,000
	Contributions to Local ..	1,96,741	2,37,271	2,70,171	2,04,000	2,48,000	2,92,000
	Total charges ..	225,45,530	233,99,645	244,89,923	*234,63,000	240,72,000	241,38,000
	Closing Balance ..	28,26,806	29,56,073	20,83,238	†31,79,000	24,29,000	29,41,000
	Grand Total including opening balance ..	253,72,336	263,55,718	265,73,161	266,42,000	265,01,000	270,79,000

* Exclusive of .. } Rs. 11,44,000 surrendered to the Government of India, viz.:—
† Inclusive of .. }
Land revenue .. Rs. 5,42,000 | Marine .. .. Rs. 1,15,000 | Public Works, Civil .. Rs. 63,000
Forest .. .. ,, 1,00,000 | Minor departments .. ,, 33,000 | Do. Deptl. .. ,, 2,91,000

PROVINCIAL

APPENDIX E.—Annual accounts of the Revenue and Expenditure

No.	Receipts.	Budget estimate of 1884-85.	Actuals, 1884-85.	Increase.	Decrease.	Cause of variation.
		RS.	RS.	RS.	RS.	
I..	Land Revenue	136,11,000	131,50,023	..	(a) 4,60,977	(a) Unfavorable character of the season owing to the failure of monsoons, and destructive floods.
III..	Salt	36,000	45,101	9,101	..	
IV..	Stamps	28,25,000	28,24,516	..	484	(b) Introduction of new system of Abkári administration from 1st October 1884.
V..	Excise	32,87,000	38,66,318	(b) 5,79,318	..	
VII..	Customs	30,000	24,524	..	5,476	
VIII..	Assessed taxes	2,35,000	2,16,381	..	(c) 18,619	(c) Decrease of arrears.
IX..	Forest	10,36,000	11,66,914	(d) 1,30,914	..	(d) Revision of seignorage rates, better organisation of the permit system and increased demand for timber.
X..	Registration	3,15,000	3,79,203	(e) 64,203	..	
XII..	Post Office	..	15	15	..	(e) Progress of departmental operations and revision of scale of fees from 1st May 1884.
XV..	Law and Justice ..	6,87,000	6,16,369	..	(f) 70,631	
XVI..	Police	3,73,000	3,22,046	..	(g) 50,954	(f) Restriction of jail manufactures.
XVII..	Marine	6,000	5,067	..	933	
XVIII..	Education	2,60,000	2,10,861	..	(h) 49,139	(g) Withdrawal of the Marine Police Act I of 1881.
XIX..	Medical	81,000	87,964	6,964	..	
XX..	Scientific, &c., departments.	1,16,000	1,72,905	(i) 56,905	..	(h) Transfer of middle school education to municipal funds, and fewer sales of manufactures in the School of Arts.
XXI..	Interest	3,000	2,342	..	658	
XXII..	Superannuation ..	40,000	21,782	..	(j) 18,218	(i) Increased sales and better prices of cinchona bark.
XXIII..	Stationery and Printing.	70,000	82,842	(k) 12,842	..	
XXIV..	Miscellaneous	70,000	72,729	2,729	..	(j) Transfer to the India accounts of pensionary contributions received from Maisur officers.
XXXI..	Irrigation and Navigation.	39,000	52,717	(l) 13,717	..	
XXXIII.	Civil Buildings, &c.—					(k) Sale of Acts, printed copies of Judgments, &c.
	Civil Officers ..	7,000	29,359	(m) 22,359	..	
	Public Works Officers.	1,97,000	79,207	..	(n) 1,17,793	(l) Receipts from tolls in the Buckingham Canal.
	Contributions	2,23,000	1,87,903	..	(o) 35,097	(m) Rent of Police huts transferred to Provincial from Police Lodging Fund.
						(n) Restriction of operations in the Public Works Workshops, Madras.
						(o) Loan given to the Village Service fund for clearing off deficits not repaid as expected.
	Total Receipts ..	235,47,000	236,17,088	8,99,067	8,28,979	(p) Larger collections of arrears of Land Revenue in 1883-84.
				70,088		
	Opening Balance ..	20,40,000	29,56,073	(p) 9,16,073	..	
	Grand Total ..	255,87,000	265,73,161	9,86,161	..	

SERVICES.

of 1884-85, comparing the Actuals with the Estimates.

No.	Charges.	Budget estimate of 1884-85.	Actuals, 1884-85.	Increase.	Decrease.	Causes of variation.
		RS.	RS.	RS.	RS.	
3	Refunds	71,000	89,552	(a) 18,552	..	(a) Large repayments of excess collections under Land revenue and Excise.
5	Land Revenue	47,20,000	47,42,550	(b) 22,550	..	
8	Stamps	79,000	83,978	4,978	..	(b) Increased charges under Collectors and Deputy Collectors.
9	Excise	1,05,000	1,16,216	(c) 11,216	..	
11	Customs	1,80,000	1,60,128	..	(d) 19,872	(c) Reorganisation of the department under the Commissioner of Salt Revenue.
12	Assessed taxes	4,000	3,487	..	513	
13	Forest	9,86,000	8,95,454	..	(e) 90,546	(d) Savings under establishments and contingencies.
14	Registration	2,50,000	2,64,419	(f) 14,419	..	
15	Post Office	1,06,000	1,11,086	5,086	..	(e) Smaller expenditure under demarcation and improvement of forests.
18	General Administration ..	10,15,000	10,50,850	(g) 35,850	..	
19	Law and Justice	48,41,000	47,47,782	..	(h) 93,218	(f) Commission to Registrars and Sub-Registrars.
20	Police	38,48,000	38,22,745	..	(i) 25,255	(g) Privilege leave allowances, &c.
21	Marine	11,000	27,294	(j) 16,294	..	(h) Jail manufactures and contingencies.
22	Education	11,60,000	12,37,040	(k) 77,040	..	(i) Reductions in the Marine Police.
24	Medical	11,10,000	11,18,521	8,521	..	(j) Writebacks of excess debits against Port funds in previous years.
26	Scientific, &c., departments.	3,63,000	3,67,714	4,714	..	
29	Superannuation, &c. ..	8,82,000	9,16,097	(l) 34,097	..	(k) Grants-in-aid and results grants.
30	Stationery and Printing ..	7,50,000	7,59,391	9,391	..	(l) Larger retirements in various departments.
31	Miscellaneous	2,10,000	2,82,117	(m) 72,117	..	(m) Enhanced scale of rewards for the destruction of wild animals.
32	Famine relief	..	57,110	(n) 57,110	..	(n) Famine advances written off as irrecoverable, Relief works on the Hindupur Railway, and improvement of the water-supply in several districts.
40	State Railways (Capital acct.)	12,000	6,002	..	5,998	
44	Irrigation and Navigation ..	3,50,000	4,44,979	(o) 94,979	..	(o) Transfer of outlay on certain project divisions from Imperial to Provincial.
46	Civil Buildings, &c.—					
	Civil Officers	2,67,000	3,85,349	(p) 1,18,349	..	(p) Grants to Madras Municipality for diversion of drains from the Cooum river, &c.
	Public Work Officers ..	22,40,000	25,29,891	(q) 2,89,891	..	(q) Increased expenditure on public offices, roads, &c.
	Contributions	1,15,000	2,70,171	(r) 1,55,171	..	(r) Grants to the Village Service fund for clearing off deficits, to the South Arcot Local Fund Board for damages by floods and to the Nílgiri Local Fund Board for roads.
	Total Charges ..	236,75,000	244,89,923	10,50,325	2,35,402	
				8,14,923		
	Closing Balance ..	19,12,000	20,83,238	1,71,238	..	
	Grand Total ..	255,87,000	265,73,161	9,86,161	..	

Appendix F showing to what extent the Land Revenue percentage of each year is modified by adjustments between Imperial and Provincial.

Contributions between Imperial and Provincial.	Actuals, 1882-83.	Actuals, 1883-84.	Actuals, 1884-85.	Revised estimate, 1885-86.	Budget estimate, 1886-87.	Govt. of India Resolution, Finl. No.	Govt. of India Resolution, Finl. Date.	Madras Govt. Order, Finl. No.	Madras Govt. Order, Finl. Date.
	Rs.	Rs.	Rs.	Rs.	Rs.	..	....	..	....
Total Land Revenue—Imperial and Provincial	471,16,866	474,11,905	437,57,020	450,00,000	457,00,000				
Provincial share calculated at 28·8073 per cent.	135,75,992	136,58,090	126,05,216	129,63,000	131,65,000	1637 1008 319	17th March 1882 .. 11th May ,, .. 18th January 1883..	393 277 218	29th May 1882. 22nd May ,, 6th February 1883.
Add—									
Contributions from Imperial to Provincial on account of—						636	5th February 1883.	..	....
The Tanjore Irrigation Survey (Rs. 3,54,000)	34,000	1,20,000	2,00,000	..	..	3462 429	27th September ,, .. 26th January 1885..	2285 225	8th October 1883. 3rd February 1885.
Administrative improvements (Rs. 24,00,000)	* 6,50,000	2,50,000	5,00,000	5,00,000	5,00,000	537 3700	30th ,, 1883.. 2nd October 1884..	251 369 Mis. 2436	9th February 1883. 16th ,, ,, 15th October 1884.
Record-room receipts and charges (stamps for copies)	..	67,000	95,000	95,000	95,000	1941	4th December ,, ..	..	....
Altered rate of exchange on stationery debits (Rs. 10 to 12 a £) ..	(a) 65,000	65,000	65,000	65,000	65,000	1008	11th May 1882 ..	277	22nd May 1882.
Conservation of ancient monuments	..	..	5,000	..	..	594	4th February 1885.	Mis. 339	17th February 1885.
Interprovincial adjustments—Rule 18, Chap. 68, C. A. C. ..	— 639	6,130	5,493	7,000	6,00	3520	27th October 1880 ..	..	....
Supply of medicines free of cost to Govt. servants at Ootacamund.	..	..	360	360	360	217-B	15th March 1884 ..	Mily. 1687	8th April 1884.
Maintenance of Bangalore prisoners in Madras jails	..	..	..	3,000	2,000	477	11th December 1885.	Judl. 545	27th February 1885.
Refund to Local for executing Imperial roads and bridges ..	25,424	..	..	..	..	1756	30th June 1883 ..	Mis. 1516	17th July 1883.
Total additions ..	7,73,785	5,08,180	8,70,853	6,70,360	6,68,360	..	....	..	....
Deduct—									
Payments from Provincial to Imperial on account of—						..	....	2586	10th November 1884.
Refund of contribution received for the Tanjore Survey ..	..	..	1,00,000	1,00,000	(b)1,31,897	429	26th January 1885..	225	3rd February 1885.
Madras Water works adjustment	1,00,000	1,00,000	1,00,000	1,00,000	1,00,000	I-423	8th November 1882.	826	29th July 1882.
Interest on do. at 4 per cent. (Rs. 6,45,992 outstanding	..	† 25,840	17,840	13,840	9,840	11	31st March 1884 ..	W 1771	18th November 1882.
on 1st April 1882)	..	‡ 21,840						Mis. 885	4th May 1883.
Savings in Customs establishments..	28,000	42,552	42,552	42,552	42,552	4888	15th November 1882.	542 1790	22nd June 1882. 25th November 1882.
Salary of Inspector of Local Fund Accounts recovered from Local Funds	..	† 11,061 ‡ 12,067	12,000	12,000	12,000	.. 521 262	.... 27th January 1883.. 16th ,, 1885..	1115 424 ..	5th September ,, 22nd February 1883. January 1885.
School of Ordnance Artificers	..	..	3,800	3,800	3,800	1017	20th May 1884 ..	1671 247	29th May 1884. 2nd February 1884.
Refund by Local Funds of Famine outlay (Rs. 5,67,000) ..	4,10,238	62,464	45,817	33,000	15,481	3664	9th September 1882.	436 369	8th June 1882. 16th February 1883.
Excise charges (Provl.) debited to Salt in the first instance ..	..	..	..	1,79,000	1,22,000	2768	21st August 1885 ..	Rev. 1091	25th September 1885.
Census charges in excess of the Imperial allotment of Rs. 1,70,000.	90,102	..	..	..	..	537	30th January 1883..	669	31st March 1883.
Subscriptions to the Indian Civil Service Family Pension Fund.	..	..	† 686 ‡ 2,614	..	..	..	....	..	....
Cinchona Home transactions	..	† 1,03,324	..	17,000	..	C.G. 860	2nd August 1884 ..	..	....
Local Fund contribution for Imperial works	..	4,935	737	4,168	3,790	..	....	..	....
Total deductions ..	6,28,340	3,84,083	3,26,046	5,05,360	4,41,360	..	....	..	....
Net addition ..	1,45,445	1,24,097	5,44,807	1,65,000	2,27,000	..	....	..	....
Actual Provincial share of Land Revenue ..	137,21,437	137,82,187	131,50,023	131,28,000	133,92,000	..	....	..	....

* Compensation for loss of revenue under "Municipal contributions for Police" and "Famine outlay recovered from Local Funds." † For 1882-83. ‡ For 1883-84.
(a) Raised from Rs. 3,92,000 to Rs. 4,57,000 for 1882-83. (b) Deducting Rs. 22,103 the extra cost entailed by an Irrigation survey instead of a Revenue survey on the ordinary plan.

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Appendix G.—Statement comparing the real Revenue under Salt in each year (including credit sales) with the actual cash realizations.

Salt revenue.		Actuals. 1878-79.	1879-80.	1880-81.	1881-82.	1882-83.	1883-84.	1884-85.	Original estimate, 1885-86.	Revised estimate, 1885-86.	Budget estimate, 1886-87.
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Credit sales of the previous year recovered in the year	Excise	..	..	..	..	..	39,732	5,03,712	8,92,000	6,24,400	22,21,800
	Monopoly	16,17,263	18,02,677	17,71,971	18,42,390	22,91,093	21,80,604	22,41,600	26,51,200	24,37,000	16,88,900
	Total, A ..	16,17,263	18,02,677	17,71,971	18,42,390	22,91,093	22,20,336	27,45,312	35,43,200	30,61,400	39,10,700
Credit sales of the first 6 months recovered within the year ..	Excise	..	..	..	..	..	2,40,588	5,16,997	11,99,700	21,39,400	30,10,800
	Monopoly	17,84,835	20,12,448	23,03,767	24,60,261	23,94,987	24,37,542	29,11,404	19,52,100	16,26,000	9,83,200
	Total, B ..	17,84,835	20,12,448	23,03,767	24,60,261	23,94,987	26,78,130	34,28,401	31,51,800	37,65,400	39,94,000
Credit sales of the last 6 months outstanding at the end of the year	Excise	..	..	..	..	39,732	5,03,712	6,24,429	13,85,900	22,21,800	31,33,800
	Monopoly	18,02,677	17,71,971	18,42,390	22,91,093	21,80,604	22,41,600	24,36,956	22,54,900	16,88,900	10,23,700
	Total, C ..	18,02,677	17,71,971	18,42,390	22,91,093	22,20,336	27,45,312	30,61,385	36,40,800	39,10,700	41,57,500
Total credit sales of each year ..	Excise	..	..	..	..	39,732	7,44,300	11,41,426	25,85,600	43,61,200	61,44,600
	Monopoly	35,87,512	37,84,419	41,46,157	47,51,354	45,75,591	46,79,142	53,48,360	42,07,000	33,14,900	20,06,900
	Total, D = B + C ..	35,87,512	37,84,419	41,46,157	47,51,354	46,15,323	54,23,442	64,89,786	67,92,600	76,76,100	81,51,500
Total cash sales of each year ..	Excise	42,651	50,171	23,978	1,23,143	4,21,789	6,35,922	20,85,136	29,34,400	36,06,800	41,89,400
	Monopoly	105,77,220	115,27,854	112,74,015	101,78,880	87,15,434	81,76,951	54,15,322	46,61,600	25,18,000	12,64,600
	Total, E ..	106,19,871	115,78,025	112,97,993	103,02,023	91,37,223	88,12,873	75,00,458	75,96,000	61,24,800	54,54,000
Miscellaneous items—*Imperial.*	Monopoly: Issues to French Govt..	9,073	6,333	1,499	13,243	15,230	5,867	8,983	10,000	10,400	10,800
	Do. for fish-curing ..	2,188	2,517	4,621	5,415	9,027	35,905	57,354	92,000	92,500	1,04,500
	Do. for export by sea..	* ..	* 1,550	* 625	* 125	2,756	61,416	11,355	..	9,500	..
		38,299	82,108	55,462	25,865						
	Customs duty	5,17,744	2,42,469	1,82,906	57,498	32,861	2,261	1,831	2,000	2,000	2,000
	Total, F ..	5,67,304	3,34,977	2,45,113	1,02,146	59,874	1,05,449	79,523	1,04,000	1,14,400	1,17,300
Miscellaneous receipts—*Provincial.*	Including Excise cess, G. ..	43,046	45,734	24,515	22,345	25,348	38,371	45,101	58,000	1,37,000	1,37,000
Real revenue of each year, D, E, F, and G.	Excise	42,651	51,721	24,603	1,23,268	4,61,521	13,80,222	32,26,562	55,20,000	79,68,000	103,34,000
	Monopoly	147,75,082	156,91,434	156,89,175	150,54,600	133,76,247	129,99,913	108,88,306	90,30,600	60,84,300	35,25,800
	Total ..	148,17,733	157,43,155	157,13,778	151,77,861	138,37,768	143,80,135	141,14,868	145,50,600	140,52,300	138,59,800
Actual cash realizations, A, B, E, F, and G.	Excise	42,651	51,721	24,603	1,23,268	4,21,789	9,16,242	31,05,845	50,26,100	63,70,600	94,22,000
	Monopoly	145,89,494	156,81,674	156,18,756	146,05,897	134,86,736	129,38,917	106,92,950	94,26,900	68,32,400	41,91,000
	Total ..	146,32,145	157,33,395	156,43,359	147,29,165	139,08,525	138,55,159	137,98,795	144,53,000	132,03,000	136,13,000

* Excise.

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Rcd 2292

Govt. of {1886} Madras.

FINANCIAL.

No 836 Wdf Mch 26. 86
B/

Recorded.
Recorded.

25/3/86

25.3.86

SECRETARY TO GOVERNMENT
24 MAR
DEPARTMENT

Issued

Recd. 24/3/86 *Encl.*

G.O., &c., 17th March 1886,
Nos. 229, 230.

No 836 Wdf March 26. 1886.

MARCH.

Budgets.

Reviewing the consolidated budget estimate for 1886-87.

Lee 26/3

The Exr. F.W. Accounts

Chief Engr for Irrn

With order.

Delega

8 Dc 29/3

Encl 2537

WK

From the explanation now submitted it is assumed that the figures adopted in the Civil Budget Estimates for 1885-86 in arriving at the net debit to Public Works under revised Estimates are those shewn in the Public Works Examiner's statement (Return of Grants) for the period upto 10th Dec. 84 when as the revised Estimates adopted in the Public Works Budgets are with reference to the modifications of Grants sanctioned upto the date of preparation of the Preliminary Note - Hence is the difference in the revised Estimates

The Civil Budget for 1885-86 may be recorded

27.3.85

W/

1885.

P. W. DEPARTMENT.

Current No. 2426

From Examr, P.W.A

ENCLOS.—

No. 534 P.

Dated 16-3-85

Received 17-3-85

SUBJECT.

Forwdg copy of letter from the Accts-General, furnishing explanation as to the sum of Rs 27,20,000 entered as the net P.W. Debit under revised estimate on p. 5 of Pub. Works No. 105 dy 19-1-85

DISPOSAL.

No. 681D Dated 18th March/85

To 6/ Please return the papers which accompanied Office-Note 289D dy 5th Febry/85

19/3/85

DW

Secy
W/3

BK 7 DW

No. 289 Days 5-2-85
Fo. Fal 105 dy 19-1-85
Fo. 1/44 Way 28-1-85

1885.

P. W. DEPARTMENT.

Current No. 582

From The Financial Deptt

ENCLOS.—

No. 105

Dated 19-1-85

Received 23-1-85

SUBJECT.

Budget Estimate — re-viewing the Civil Budget estimates for 1885-86 —

DISPOSAL.

No. 289 Dated 5th February/8

To C/ For check of the "net Public Works Debt" on page 5. The figures of the revised estimate do not agree with those adopted in this Office

BK/29/2B

DM