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*Provincial Contract with the Government of Bombay for the five years commencing  
1st April 1892.*

No. 1823.

FINANCIAL DEPARTMENT.

Bombay Castle, 26th April 1892.

Resolution of the Government of India, Finance and Commerce Department, No. 1150,  
dated 17th March 1892:—

“ Read—

Letter from the Government of India, to the Government of Bombay,  
No. 3827, dated 12th September 1891.

Letter from the Government of Bombay, to the Government of India, No. 320,  
dated 23rd January 1892.

Letter from the Government of Bombay, to the Government of India, No. 920  
dated 26th February 1892.

“ RESOLUTION.—The letters read in the preamble contain the correspondence regarding the revision, with effect from 1st April next, of the Contract relating to the Provincial Revenue and Expenditure of Bombay. The word ‘Contract,’ though open to some objection, is used for the sake of convenience to describe the arrangements made with the Local Governments under which the Government of India, in order to secure more efficient administration, delegates to Local Governments, for a time and under conditions, some of its powers in respect of certain Revenue and Expenditure.

“ 2. After considering the correspondence in the light of the Revised Estimates of Revenue and Expenditure for the year 1891-92 and of the general financial position, His Excellency the Governor General in Council is pleased to declare that the terms of the Contract relating to the Provincial Revenue and Expenditure of Bombay for the five years commencing 1st April 1892 shall be as follow:—

All revenue which is classified in the Accounts under the heads named in column 2 of the Schedule\* annexed to this Resolution will be Provincial in the proportion stated in column 3, and all expenditure which is classified in the Accounts under the heads named in column 5 of the Schedule will be Provincial in the proportion stated in column 6.

To the Provincial Revenues, as just stated, an addition of Rs. 77,14,000 will be made through the Land Revenue head.

“ 3. It has been considered convenient to collect and republish the general rules relating to the powers of Local Governments under the scheme of Provincial finance with modifications up to date; and this has been done in Resolution No. 1142 of this date, applicable to all Provinces.

“ 4. The main terms constituting the Contract are those stated in paragraph 2 and in the Resolution quoted in paragraph 3. The only modifications of them which will apply to Bombay are the following:—

(1) if any considerable charge of an exceptional nature which ought ordinarily to be borne by one Province is paid in another Province, the question of a corresponding adjustment between the two Provinces will be specially dealt with; this provision has been rendered necessary by the decision to stop inter-provincial adjustments as a matter of ordinary course;

(2) the Provincial Revenues are liable to pay interest through the Land Revenue Head on the portion of the cost of the Hyderabad-Umarkot Railway advanced from Imperial Funds.

“ 5. The Contract is a consolidated one, of which all the conditions are stated in this Resolution and that referred to in paragraph 3; and it is not a collection of separate contracts for each Provincial Head. His Excellency the Governor General

in Council has therefore deemed it inexpedient, in declaring the terms of the Contract as finally settled, to state separate amounts for each head of Provincial Revenue and Expenditure. The representations made by the Government of Bombay regarding each separate head have received careful consideration, and the adjusting figure of Rs. 77,14,000 has been fixed so as to place the Revenue and Expenditure in equilibrium on the basis generally of the existing stage of growth; the Local Government will be expected to maintain all the Provincial Services in a state of administrative efficiency, providing any increased expenditure necessary for that purpose either from savings in expenditure to be secured by economical administration or from increases in revenue. The Local Government is not entitled to assistance from Imperial Revenues to meet future increases of expenditure, or decreases of revenue, of whatever nature, classified under the Provincial Heads."

"6. The opportunity of the revision of the Contract has been taken to introduce certain changes affecting the amounts charged to Provincial Heads of Expenditure, chiefly in the direction of correcting errors of classification under the Heads of Account. These will be stated in a letter to be addressed to the Government of Bombay, replying to the letters quoted in the preamble. They have been taken into consideration in settling the adjusting figure fixed in paragraph 2."

RESOLUTION.—Copies of the Resolution of the Government of India and its enclosure should be forwarded to all Departments of the Secretariat for information and guidance.

2. The current year's Provincial Budget is estimated to close with a deficit of Rs. 18,67,000, reducing the accumulated balances to Rs. 15,000 above the prescribed minimum. No further reductions of the budgetted expenditure are now made, but the attention of all Departments is invited to the necessity of carefully keeping down fresh recurring charges in 1892-93 and to the probability of reductions in the present rate of expenditure in 1893-94.

W. L. HARVEY,  
Under Secretary to Government.

To

All Departments of the Secretariat,  
The Accountant General.

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No.                      of 1892.

Copy forwarded for information and guidance to

## BOMBAY.

## Schedule.

REVENUE.			EXPENDITURE.		
1.	2.	3.	4.	5.	6.
Major head.	Minor heads.	Provincial share.	Major head.	Minor heads.	Provincial share.
I.—Land Revenue	"Assessment of alienated lands less quit-rent." All other minor heads	The whole. One-fourth.	1.—Refunds	The heads of which the corresponding receipts are wholly or partially Provincial.	The same share as in the case of the corresponding heads of receipt.
III.—Salt	"Rents of Warehouses" "Fines and forfeitures" "Miscellaneous"	The whole.	2.—Assignments and Compensations.	"Excise Compensations" All other heads, except— "Gas Subsidy," "Salt Pans in Portuguese India," and "Customs Tariff Compensations."	One-fourth. The whole.
IV.—Stamps	All	Three-fourths.	3.—Land Revenue	All	The whole.
V.—Excise	All	One-fourth.	6.—Stamps	All	Three-fourths.
VII.—Customs	"Warehouse and Wharf rents." "Miscellaneous"	The whole. Items classified as Provincial in 1891-92.	7.—Excise	All	One-fourth.
VIII.—Assessed Taxes	All, except "Tax on surplus profits of Railway Companies"	One-half.	10.—Assessed Taxes	All	One-half.
IX.—Forest	All	One-half.	11.—Forest	All	One-half.
X.—Registration	All	One-half.	12.—Registration	All	One-half.
XII.—Interest	"Interest on loans to municipalities and other public bodies (excluding Presidency Corporations)." "Interest on loans to landholders and other notabilities." "Interest on advances to cultivators." "Interest on advances under Special Laws." "Interest on Government Securities."	The whole.	13.—Interest	"Interest on Provincial Advances and Loan Accounts."	The whole.
XIII.—Post Office	"District Post Collections"	The whole.	15.—Post Office	"District Post Collections"— "Subsidies," "Refunds"	The whole.
XVIIA.—Law and Justice—Courts of Law.	All	The whole.	18.—General Administration.	"Civil Offices of Account and Audit," All other Minor heads, except— "Currency Department," "Reserve Treasury," and "Allowance to Presidency Banks."	"Local Fund Establishment." The whole.
XVIB.—Law and Justice—Jails.	All	The whole.	19A.—Law and Justice—Courts of Law.	All	The whole.
XVII.—Police	All	The whole.	19B.—Law and Justice—Jails.	All	The whole.
XVIII.—Marine	All	The whole.	20.—Police	All	The whole.
XIX.—Education	All	The whole.	21.—Marine	All	The whole.
XX.—Medical	All	The whole.	22.—Education	All	The whole.
XXI.—Scientific and other Minor Departments.	All	The whole.	24.—Medical	All	The whole.
XXII.—Receipts in aid of superannuation, retired and compassionate allowances.	"Contributions for pensions and gratuities." "Miscellaneous"	The whole.	25.—Political	All, except— "Refugees and State Prisoners" and the heads under which are recorded the expenditure at— Aden, Baroda, the Persian Gulf, and Berbera, Bulhar and Zaila.	The whole, except the charges for the Bacteriological Laboratory, Poona, and the salaries and allowances of officers on the cadre of the Civil Veterinary Department.
XXIII.—Stationery and Printing.	All	The whole, except receipts for the value of supplies from Central Stores to Railways and to the Berar Administration, Local Funds, Municipalities, and other independent bodies.	26.—Scientific and other Minor Departments.	All other minor heads, except— "Census" and "Preservation and Translation of ancient manuscripts."	The whole.
XXV.—Miscellaneous	"Extraordinary items" "Fees for Government Audits." All other minor heads except— "Gain by Exchange," "Premiums on Bills," "Unclaimed Bills of Exchange," "Recovery of Insurance and other charges on English Stores," "Revenue of Berbera and Bulhar" and "Revenue of Zaila."	Items not in excess of Rs. 10,000. Items classified as Provincial in 1891-92. The whole.	29.—Superannuation Allowances and Pensions.	"Superannuation and Retired Allowances," "Covenanted Civil Service Pensions," "Compassionate Allowances," "Gratuities," "Refunds."	The whole.
XXVI.—State Railways	Hyderabad-Umarkot Railway	The whole.	30.—Stationery and Printing.	All, except "Stationery purchased for Central Stores," Extraordinary items	The whole. Items not in excess of Rs. 10,000. The whole.
XXX.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works.	The whole.	32.—Miscellaneous	All other minor heads, except— "Charges for Remittance of Treasurers," "Discount on Bills," and "Loss by Exchange."	The whole.
XXXII.—Civil Works	All	The whole.	38.—Famine Relief	"Famine Relief Charges"	The whole.
Contributions	Contributions from Local	The whole.	36.—State Railways Working Expenses.	Hyderabad-Umarkot Railway	The whole.
			37.—Construction of Railways.	All	The whole, except in cases in which the outlay is specially incurred from Imperial Funds. But Provincial expenditure under these heads is permitted only under special orders of the Government of India in regard to such Railway.
			40.—Subsidized Companies.	"Land"	
			41.—Miscellaneous Railway Expenditure.	"Surveys"	
			43.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works	The whole.
			45.—Civil Works	All, except Opium, Salt, Mint, Currency, Post Office, Telegraph, and Baroda Residency buildings and Works on Somali Coast.	The whole.
			Contributions	Contributions to Local	The whole.

Notes.—In this Schedule the only heads considered are Imperial and Provincial heads; the Local Revenue and Expenditure are not affected by the orders in this Resolution.  
\*The Provincial share is calculated on the gross collection, including the portion due to irrigation.

*Rules and conditions regulating the administration by Local Governments of Provincial Revenues and Expenditure.*

No. 1833.

FINANCIAL DEPARTMENT.

Bombay Castle, 27th April 1892.

Resolution of the Government of India, Department of Finance and Commerce, No. 1142, dated 17th March 1892:—

“ Read the following Resolutions and letters of the Government of India in the Finance Department:—

No. 1709,	dated	22nd	March	1877.
„ 1642,	„	19th	July	1878.
„ 3520,	„	27th	October	1880.
„ 4150,	„	5th	October	1882.
„ 1752,	„	11th († 7th)	December	1883.
„ 1274,	„	13th	March	1884.
„ 568,	„	5th	February	1885.
„ 458,	„	28th	January	1887.
„ 1124,	„	4th	March	1887.
„ 1596,	„	30th	March	1887.
„ 5228,	„	30th	September	1887.
„ 5703,	„	25th	October	1887.
„ 2848,	„	30th	May	1888.
„ 5785,	„	12th	December	1890.

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“ RESOLUTION.—In supersession of the orders read in the preamble and all other existing orders on the subject, His Excellency the Governor General in Council is pleased to lay down, with effect from 1st April 1892, the following rules and conditions regulating the administration by Local Governments of Provincial Revenues and Expenditure.

“2. The powers vested in Local Governments by this Resolution are subject to the general supervision and control of the Government of India; and His Excellency the Governor General in Council expressly reserves the right of issuing instructions to Local Governments on general or particular matters affecting the transferred revenues and services, when such interference with the discretion ordinarily vested in them seems to him expedient.

“3. Subject to the limitations hereinafter stated, Local Governments exercise, in respect of Provincial Revenue and Expenditure, all the powers exercised, before the introduction of the system of Provincial finance, by the Government of India. In the case of Revenue and Expenditure classified under heads which are divided between Imperial and Provincial in fixed proportions, those powers are exercised by Local Governments in respect of the Imperial portion also. The powers vested in Local Governments as above are necessarily limited to the powers possessed by the Government of India. In all very important matters and in certain minor matters, the orders of the Secretary of State are required; and, although some of the limitations, rendered necessary by this restriction on the powers of the Government of India, are included in the subsequent paragraphs of this Resolution, it should be understood that all orders, which are now in force or which may hereafter be issued, which have the effect of requiring the sanction of the Secretary of State in connection with any matter affecting Revenue or Expenditure, necessarily prevent the Local Governments from issuing, without a reference to the Government of India, final orders in regard to such matter.

“4. Without the previous sanction of the Government of India—

- (1) No additional taxation may be imposed, and no change made in any existing system of revenue management;

- (2) No new general service or duty may be undertaken: whenever a Local Government proposes to undertake any such new service or duty, it must satisfy the Government of India that it can provide the funds for it, temporarily if the service or duty is temporary, and permanently if it is permanent;
- (3) No appointment may be created with a pay of more than Rs. 250 a month; and no addition may be made to the pay and allowances of any officer if they exceed, or would, after the addition, exceed, Rs. 250 a month;
- (4) No appointment of which the pay and allowances are more than Rs. 250 a month may be abolished; and the pay and allowances of no such appointment may be reduced;
- (5) No class or grade of officers may be created or abolished; and the pay of no class or grade of officers may be raised or reduced;
- (6) The rates of discount upon the retail of stamps and court-fees labels must not be altered;
- (7) The rates of duty on spirits and drugs should not be altered in any case in which the alteration is likely to affect the excise arrangements of neighbouring provinces: and in particular the sanction of the Governor General in Council must be obtained to any alteration in the rates of duty in any district which borders on another province;
- (8) No addition may be made to the pay or allowances of any individual officer, or class of officers, that may lead to increase in the emoluments of any public servants doing duty in the same province, whose pay and allowances are not charged under one of the transferred heads of service. The Government of India reserves the right to forbid alterations in rates of pay and allowances, which in its opinion, would produce inconvenience in other provinces;
- (9) No money may be removed from the public treasury for investment or deposit elsewhere; the Government of India, which is responsible for the provision of ways and means for the public service in all departments, must always retain, as at present, in its own hands, absolute and unconditional control over all money in the public treasury: a Local Government may not withdraw such money, except for expenditure upon the public service. This order applies to local fund balances as much as to provincial funds. The principle is that no funds contributed from the public revenues or raised by general taxation, such as the district cess funds, and the like, shall be invested without the consent of the Government of India; these orders do not apply to municipal or port funds, nor to trust or endowment funds of any kind;
- (10) No alteration must be made in the form or procedure of the public accounts; in particular Local Governments may not issue orders directing the division of a charge between two or more heads of account: the Comptroller General ordinarily decides the proper classification of an item on the accounts;
- (11) No services previously rendered to other departments at the charge of the departments made over to the control of the Local Governments may be diminished, and no services previously rendered to these departments at the charge of other departments may be increased;
- (12) No line of through communication may be abandoned, or allowed to fall out of repair.

" 5. The Provincial Revenues and Expenditure consist of the Revenue and Expenditure recorded, under the heads made Provincial, on the books of the Account Officers of the Province. Inter-provincial adjustments are forbidden.

" 6. Local Governments are required to maintain balances of the following minimum amounts:—

	Rs.		Rs.
Central Provinces...	8,00,000	North-Western Provinces	
Lower Burma ...	6,00,000	and Oudh ...	20,00,000
Assam ...	5,00,000	Punjab ...	10,00,000
Bengal ...	20,00,000	Madras ...	20,00,000
		Bombay ...	20,00,000

"A Local Government should not, without the previous sanction of the Government of India, propose any estimates or allow any transactions which involve the reduction of the Provincial balance below the prescribed minimum. Accountants General are required to make a report to the Local Government and to the Government of India when it appears to them that there is any likelihood of the balance being reduced below the minimum.

"7. Local Governments may sanction loans and advances under the orders contained in Resolutions Nos. 13 and 14, dated 1st January 1889, and Nos. 417 and 419, dated 24th January 1890, but may not, without the special sanction of the Government of India, sanction any other loans of public money.

"8. When any Local Government proposes to provide in the estimates for Provincial Expenditure largely in excess of the Provincial Revenue of the year, that is, when it is proposed to incur considerable expenditure out of accumulated balances, the proposals should be forwarded to the Government of India for separate consideration in advance of the estimates.

"9. It is a general condition, precedent to the delegation of all authority to disburse public money, that it shall be *bond fide* for a public object; nothing must be carried out by means of the public funds for the advantage of any individual or body of private persons, unless in accordance with some declared or established rule or principle recognized by the Government of India. It is the duty of every Audit officer, at all times, to challenge any infringement of this principle; and every Local Government must submit, for the orders of the Government of India, any representation made to it by any Audit officer in accordance with this rule which it does not promptly accept.

"10. All standing orders and rules of the Supreme Government are to be observed, including, in particular, the rules in the Civil Service Regulations, the Code of the Public Works Department, and the Civil Account Code.

"11. Local Governments must exercise the powers vested in them by this Resolution subject to the ordinary rules of the Budget system. The most important of those rules which affect the exercise of those powers are—

- (a) A Local Government cannot sanction any expenditure during a year which will involve an excess over the Budget grant for the year for any Provincial Major head without effecting re-appropriation, that is, without reducing by the amount of the excess the sanctioned grant under some other Provincial or Local Major head under its control.
- (b) A Local Government cannot sanction any expenditure which will involve an excess over the Budget grant for the year under a head which is divided in a fixed proportion between Imperial and Provincial, unless it can effect re-appropriation (for the Imperial and Provincial portions of the excess respectively) from Imperial and Provincial or Local heads under its control.
- (c) A Local Government is required to keep the total Provincial expenditure under all heads within the total Budget grant of the year for that expenditure unless—
  - (1) it effects re-appropriation from the grants for Local expenditure under its control; or
  - (2) it has obtained the sanction of the Government of India to a supplementary grant."

RESOLUTION.—Copies of the Resolution should be forwarded to all Departments of the Secretariat for information and guidance.

W. L. HARVEY,  
Under Secretary to Government.

To  
All Departments of the Secretariat,  
The Accountant General.

No.                      of 1892.

Copy forwarded for information and guidance to

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

New Provincial contract with Bombay.

[ Pros. No. 300 ]

[ Provincial Finances. ]

NEW PROVINCIAL CONTRACT WITH BOMBAY.

No. 407, dated 28th January, 1887.

No. 300. ] RESOLUTION—By the Government of India, DEPARTMENT OF FINANCE AND COMMERCE.

Read the undermentioned papers regarding the future Provincial Contract with Bombay :—

- Note by the Finance Committee, forwarded with Mr. Jacob's letter No. 10, dated 6th October 1886.
- Memorandum by the Hon'ble Mr. Ranade on that part of the Finance Committee's Note which deals with Education.
- Memorandum by Mr. Lee-Warner, embodying his dissent from some of the proposal of the Committee.
- Note by the Finance Committee on the Survey and Settlement expenditure of the Bombay Presidency.
- Letter from the Government of Bombay, No. 3602, dated 27th November 1886, and enclosures.

(The figures in this Resolution are, for the most part, thousands of rupees.)

RESOLUTION.—The Government of Bombay, in the letter above quoted, have examined, head by head, the various proposals made by the Finance Committee. The objections which they have made are, in some cases, based upon a misconception of the principles upon which these estimates have to be framed, and can accordingly only be answered by a reference to the general Resolution of this date, No. 458, in which the Government of India have explained the object to be kept in view in making the estimates of Revenue and Expenditure for the purpose of the future Provincial Contract.

2. The various specific questions, on matters of detail, raised by the Government of Bombay it will be convenient to take up head by head.

3. *Land Revenue.*—The Government of Bombay take exception to the Committee's estimate of Land Revenue by pointing out that they have included in their statistics of ordinary revenue, in all years but the last, the receipts of the Sind village cess. The Committee were apparently wrongly informed in dealing with this item as a new receipt of 1886-87; but in applying the correction to their figures the result brought out is not that assumed by the Government of Bombay. If the Sind cess is included in the first line of the Committee's statement in paragraph 10, in the fourth year, as it already is in the first three years, we get the total actual revenues of the four years as 3,32,03, 3,17,08, 3,42,49, and 3,31,09; and we have therefore, in their paragraph 14, to choose between the two estimates 3,31,09 based upon account forecasts, and 3,30,15 based upon the figures of the Revenue Department. It is not known why the Revenue Accounts fail to take account of the full amount shewn in the Finance Accounts, but it would appear that 3,31,00 is a fair estimate of a year's revenue under all heads at the present time. The figures of the Finance Accounts are necessarily somewhat irregular by reason of the year closing in the middle of a season of active collection, but the following statement shews the actual receipts of the treasuries arranged by the revenue year, that is, by the year ending July 31st:—

	1883-84.	1884-85.	1885-86.	1886-87.
April till July . . . . .	86,25	95,09	1,09,05	99,43
August till March . . . . .	3,13,42	2,95,37	3,16,44	...
Total Financial year . . . . .	3,99,67	3,90,46	4,25,49	...
Total Revenue year . . . . .	4,08,51	4,04,42	4,15,87	...
Deduct adjustments made in March . . . . .	67,64	73,37	81,09	...
Net . . . . .	3,40,87	3,31,05	3,34,78	...

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

Pros. No. 300 ]

New Provincial contract with Bombay.

4. It would appear from these figures that 3,31,00 is a moderate estimate of the actual amount that may be expected to be realized under the whole head. Of this amount 3,00, including the Sind village cess, is Local, and the remaining amount, 3,28,00, is divisible between Imperial and Provincial.

5. The Government of India does not understand the objection raised by the Government of Bombay in the latter part of paragraph 3 of their letter to the method of division proposed by the Committee. The two methods of calculation are as follow, on the assumption that the amount to be made up to the Government of Bombay, to equalise revenue to expenditure, is 1,73,69.

The Committee would call it one-quarter of the Land Revenue  $\frac{3,28,00}{4} = 82,00$  plus a fixed assignment of 91,69, making a total of 1,73,69. The result would be, if the Land Revenue of any year were three lakhs short, or three lakhs in excess :—

	In the first case.	In the second case.
	$\frac{3,28,00}{4} = 81,25$	$\frac{3,31,00}{4} = 82,75$
Add fixed assignment . . . . .	91,69	91,69
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
Total Provincial credit . . . . .	1,72,94	1,74,44
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>

The Government of Bombay say that this gives a result "opposed to the instructions of the Government of India." These instructions, however, would make up the assignment as follows :—

	In the first case.	In the second case.
Original amount . . . . .	1,73,69	1,73,69
Alter by one-quarter of the increase . . . . .	—75	+75
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
Total Provincial credit . . . . .	1,72,94	1,74,44
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>

The Committee seem to the Government of India to be right in stating that the result of the calculation is the same either way; but if the Government of Bombay prefer the latter method of describing the calculation to the former one, the Government of India will raise no objection.

6. The estimate of the expenditure under Collectors and Establishment depends primarily upon the revised estimate. But for the amalgamation of the Collector of Customs and of Bombay, the estimates are as follows :—

	Land Revenue.	Customs.
<i>Present Estimate—</i>		
2 Collectors . . . . .	30,000	24,000
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
<i>Committee's Estimate—</i>		
1 Collector at 1,800 + 200 . . . . .	12,000	12,000
1 Assistant at 700 in lieu of one at 500 . . . . .	1,200	1,200
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
TOTAL . . . . .	13,200	13,200
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
<i>Government of Bombay—</i>		
1 Collector at 2,325 + 200 . . . . .	15,150	15,150
1 Assistant at 900 + 200 in lieu of one at 500 . . . . .	3,600	3,600
	<hr style="width: 50%; margin: 0 auto;"/>	<hr style="width: 50%; margin: 0 auto;"/>
TOTAL . . . . .	18,750	18,750
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PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

New Provincial contract with Bombay.

[ Pros. No. 300

7. The Government of India accept on this point the proposal of the Government of Bombay, save that they do not admit the necessity of so high local allowances as R200 to officers on the pay proposed by the Government of Bombay and would give R100 only. The future cost is therefore taken at R17,550 under Land Revenue and the same under Customs. The saving under Land Revenue is therefore 12 only, and not 17 as estimated by the Committee.

8. *Survey and Settlement*.—The Committee at first allowed 8,80 as the assignment under this head, but have since been enquiring further regarding the facts upon which this estimate was based. The actual expenditure in the last two years, it now appears, has been as follows:—

Bombay Proper—	1884-85.	1885-86.
1. Survey Commissioner and Parties . . . . .	6,33,4	6,31,6
2. Photozincographic Department . . . . .	31,7	37,6
3. City Survey, Ahmedabad . . . . .	2,1	1,7
4. Boundary Marks . . . . .	4,9	10,2
5. Alienation Department . . . . .	8,6	12,9
6. British Girasia's Agent . . . . .	6,7	5,9
7. Talukdari Settlement . . . . .	3,4	3,7
TOTAL	6,90,8	7,03,6
Sind . . . . .	2,23,4	2,54,9
	9,14,2	9,58,5

9. Most of the difficulties about the heads under Bombay Proper appear to have been cleared up. A part of the expenditure is about to cease (*viz.*, that classified as No. 6), but it is not understood why expenditure on the City Survey of Ahmedabad is allowed to proceed while the Municipality, who are stated to be liable for part of the charge, refuse to pay their share. It seems proper to estimate 6,95 as its existing standard, and to allot that sum in the Contract.

10. As regards Sind, the Government of Bombay stated, in its letter of 30th August 1886, No. 58 P., that the cost for five years past had been on the average R2,28,980, and that it would be less in future. In its letter of 23rd September, No. 191 P., it stated that the future cost would be R1,78,115 only. In its present letter it asks for an assignment of 1,79 for the expenditure, exclusive of boundary-mark expenditure, and proposes that boundary-mark expenditure shall be provided for as an Imperial charge. The Government of India does not see its way to consenting to such a proposal. The charges are mostly of a recoverable character, and it is particularly desirable that the Provincial Government should be financially interested in such a kind of expenditure. The outstanding unadjusted arrears at present seem to be very high; on March 31st, 1886, they amounted to 2,79, being the amount of several years' expenditure. The fact of these large arrears: the statement of the Government of Bombay that it is impossible to say how much of this will ultimately be recovered and how much taken as expenditure; and the statement in the memorandum forwarded with the Bombay Government's letter of 18th December, No. 3840, that "it is perfectly impossible to say what the boundary-mark expenditure in Sind will amount to during the next five years:" seem to indicate a system of procedure which is not compatible with proper financial control. The matter should engage the serious attention of the Government of Bombay; and while the expenditure is admittedly beyond control and beyond power of forecast, it is impossible that the Imperial Government should relieve the Government of Bombay of the financial responsibility for it. The Government of Bombay should prepare an account of such expenditure, and of the recoveries from it, during the last five years, and upon such an account, with any further information the Government of Bombay are able to give, it may be possible to determine what allotment in respect of it should be made in the future Contract.

PROCEEDINGS OF THE DEPARTMENT OF  
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11. The Government of Bombay have included in their estimate under this head a demand for 81 on account of Agricultural Department. Of this amount 43 are dealt with by the Committee under the head of Scientific and Minor Departments; and will be referred to under that head. The remaining 38 represent proposed increases of expenditure. This cannot be admitted as a ground for an additional assignment. To a considerable extent, this new expenditure will take the place of charges which are at present included under Settlement, and as the allotment for Settlement is based upon an estimate of its *present* rate of expenditure, whereas that rate of expenditure is to suffer considerable diminution, it is unnecessary to provide separately for the counterbalancing development of the Agricultural Department. For any further extensions the Government of Bombay should look to development of its revenues. There is certainly some misunderstanding in the claim made in paragraph 10 of the letter of the Government of Bombay that the increased resources arising from improving revenues should be at the free disposal of the Provincial Government, not for the purpose of meeting the demands of increasing expenditure, but over and above these demands.

12. *Salt*.—The budget estimates adopted by the Committee are explained to have erroneously included certain Imperial items as Provincial. The revised estimate will presumably be corrected in this respect and will be ultimately adopted.

13. *Stamps and Excise*.—Revenue. Under these heads the Government of Bombay question the Committee's estimate of the existing scale of revenue and expenditure.

14. In the first of these cases the Government of Bombay take the average of the three years 1883-84, 1884-85, and 1885-86. As stamp revenue is regularly progressive, this estimate would give the standard of revenue of the year 1884-85; whereas on the principle explained in the general Resolution already quoted, the estimate must, for the purposes of the assignment, be taken at the standard reached in 1886-87. The actual realisations, as shown by the accounts up to date, are—

	First eight months.	First nine months.	Twelve months.
1883-84 . . . . .	28,23	31,70	42,71
1884-85 . . . . .	29,23	32,99	44,64
1885-86 . . . . .	29,88	32,58	44,30
1886-87 . . . . .	32,17	36,17	

So that it appears all but certain that the Committee's estimate of 44,80, far from being too high, will be considerably exceeded. The assignment will eventually be made according to the figures of the Revised Estimate, unless they are shown to contain receipts which cannot be expected in ordinary years.

15. Under Excise, the Government of Bombay remark that the Committee in taking the estimate at 90,05 "exceeded very considerably what may reasonably be expected," and claims that, as certain contraction of revenue may be expected the estimate should be taken at 86,00. It is not known on what ground these anticipations are formed. The Commissioner of Excise and Opium in November last, for the purposes of the six-months' estimate, gave as the probable out-turn of the year 83,00 for Bombay proper alone, to which 6,00 may safely be added for Sind. And the figures of the accounts up to date shew that a higher revenue than this is almost certain. The figures are—

	First eight months.	First nine months.	Twelve months.
1883-84 . . . . .	51,44	56,59	77,73
1884-85 . . . . .	53,81	59,46	82,14
1885-86 . . . . .	58,01	64,77	90,05
1886-87 . . . . .	60,96	67,88	

from which it would appear that the Committee's estimate of 90,05 is likely, when the revised estimate is made up, to be exceeded by nearly three lakhs.

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16. So under Forests, the Conservators in November last gave estimates for the revenue of the year, which amounted to 31,87, against 31,00 proposed by the Committee. The completion of the railways, to which the Bombay Government alludes as likely to decrease the demand for sleepers in future, ought rather to increase the forest revenue, by bringing the forests nearer the markets, and there seems no ground, at present at least, to anticipate any deterioration from this source.

17. But all these matters are questions of estimating, and may, for the present, be left to be taken up when the revised estimates of the year are under preparation. The Government of India have alluded to them in some detail at present with the object of showing that the final figures have to be settled less by questions of expectation and of opinion than by the actual facts of the current accounts, as compared with those of past years.

18. *Stamps*.—Expenditure. The present scale of expenditure is taken at 1,98. The question of reduction is discussed under Registration; with the saving there shown the expenditure should be estimated at 1,94.

19. *Excise*.—Expenditure. Taken, pending revised estimate, at 2,58.

20. *Provincial Rates*.—The amount is necessarily the same on both sides.

21. *Customs*.—The proposal of the Government of Bombay is accepted, that Provincial receipts shall be taken at 36, and that the 9, which represents contributions towards employés on private wharves, should, like the expenditure, be Imperial.

22. *Assessed Taxes*.—The amount will be estimated when the assessments are more nearly completed. It should be noted that it is intended that the tax paid by the Railway Companies should be Imperial, and the rest divided in moieties. It is observed that the Government of Bombay estimate the expenditure at 36½ for the city and 23½ for the mofussil against the Committee's estimate of 35 and 10. The Government of India is not disposed to allow more than the Committee's estimate, unless necessity is shown for the higher establishment proposed.

23. *Forests*.—See the remarks in paragraph 16 above. The final settlement of the estimate under this head depends on the revised estimates. But unless they show an extraordinary falling-off, there appears no reason to anticipate worse results than the Committee's estimate of a net revenue of 12,50.

24. *Registration*.—The receipts will be estimated by the revised estimates; the question of the rate of copying fees is one for the Local Government.

As regards expenditure, the Government of India accept the proposal of the Government of Bombay, that the pay of the Inspector General of Jails, Registration and Stamps should, so far as the present incumbent is concerned, be fixed at R2,000. This will effect a saving as follows:—

	Stamps.	Registration.	Jails.
Present . . . . .	8	16	18
Future . . . . .	4	8	12
	—	—	—
Saving . . . . .	4	8	6
	—	—	—

25. The Government of India accept the proposal of the Government of Bombay to take 2,52 as the estimate of expenditure under the head of Registration; but if the calculation is rightly understood, the figure should apparently be 2,54.

26. *Refunds*.—The following figures compare the estimates of the Committee and of the Government of Bombay:—

	Committee.	Government of Bombay.	
Land Revenue . . . . .	1,52	1,52	
Stamps . . . . .	70	73	
Excise . . . . .	1,94	2,11	}
Forests . . . . .	14	15	
Registration . . . . .	4	4	}
	—	—	
	2,82		
	Accounts and Finance—5		

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The proposals of the Government of Bombay are accepted. The question of the refunds of assessed taxes will be decided along with that of the receipts.

27. *General Administration.*—The Committee considered the Budget Estimate of 12,58 too low, and putting the existing expenditure at 12,63, proposed to reduce by 14 on account of Hill allowances, and 16 on account of the Second Assistants to Commissioners. The latter of these two reductions the Government of India will, in deference to the objection of the Government of Bombay, not insist upon.

28. It will be for the Government of Bombay to consider further the question of the proposed reductions in the pay of the Oriental Translator and of the Commissioner in Sind; if these reductions are carried out, the Local Government will get the benefit of the saving.

29. *Law and Justice, Courts.*—The Committee took the actual figure of 1885-86. The budget figure of 1886-87 is higher; but this is admitted by the Government of Bombay to be largely due to over-estimating. The Committee suggested the following reductions:—

- (a) Pay of Second and Third Presidency Magistrates.
- (b) Pay of Magistrate's Chief Clerk.
- (c) Pay of Junior Small Cause Court Judges.
- (d) Pay of certain Cantonment Magistrates.
- (e) Pay of mofussil Small Cause Court Judges.

30. With reference to this the Government of Bombay claim—

- (1) an addition of 11 owing to increases of expenditure in 1886-87 as compared with 1885-86. This will be examined in the light of the revised estimates.
- (2) The Government of Bombay admit the possibility of some of the reductions proposed by the Committee, but do not adopt others. The reductions, even when admitted, are not immediately feasible; but the Government of Bombay accepts the following reductions in the contract figure:—(a) and (b) R1,200; (d) R3,500; (e) R800; Sheriff R1,000; Rent of Small Cause Court R10,800. Total R17,300. The Government of India accept this proposal.
- (3) The Government of Bombay require R20,000 for future increases. As explained in paragraph of the general Resolution above quoted, this cannot be conceded, as the increases of revenue after 1886-87 are not taken into account.

31. The Committee have proposed considerable reductions in the High Court of Bombay, which are being separately discussed. So far as such reductions are immediately feasible, they will render possible a further reduction in the Contract figure, as it is intended that the benefit of them should accrue to general revenues.

32. *Law and Justice, Jails.*—The objection of the Government of Bombay to R2,35,000 as the estimate of receipts will be decided upon the revised estimates. The Government of Bombay accepts the reductions of expenditure from 6,54 to 6,13, which agrees with the actual expenditure of 1885-86. But as 6 of the Reductions proposed by the Committee under the head of Registration come under this head the estimate should be fixed at 6,07.

33. *Police.*—The Police estimates made by the Committee have been subjected to a long criticism by the Government of Bombay. With reference thereto the Government of India has decided—

- (1) that it will not enforce the Committee's proposal to increase clothing recoveries by R33,000;
- (2) that it will add R15,000 to the Provincial Grant, on the condition that the Police required for the Southern Mahratta extensions be Provincial.

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84. In other respects the estimate for the purposes of the Contract will be made on the lines of the Finance Committee's note, the figures being modified only so far as appears necessary on examination of the revised estimates.

35. The Government of India agree with the Committee in considering that the present arrangement in respect of Presidency Police cannot be considered final; and it is admittedly not in accordance with law so far as regards the burden it imposes upon the general tax-payer. It cannot be expected that unlimited increases to the Police establishment in the city of Bombay should be found at the charge of the General Revenues, and the Government of India cannot undertake to enhance its assignment in respect of these charges on account of any increases to establishment admitted by the Government of Bombay. The heavy proposed expenditure on police buildings in Bombay, referred to in paragraph 178 of the letter of the Government of Bombay, should not be accepted as a charge to be borne by the General Revenues. The whole question, in the opinion of the Government of India, requires early and careful consideration as a question between the municipal and the general tax-payer.

36. The other increases mentioned by the Government of Bombay in their paragraph 84 must be left to be provided for out of increasing revenues.

37. *Education.*—Under the head of Receipts, the Committee added R35,000 to the Budget Estimate of R2,65,000. The Government of Bombay consider this addition unjustified. The final estimate will be made upon the revised estimates of the year.

38. In considering the question of Education expenditure, in which the Committee have suggested considerable reductions, the Government of India have first of all to observe that the Budget Estimates of 1886-87 provided for Expenditure of 16,57, besides 3,24 under Contributions to Local, against 13,32 and 2,23 the actual expenditure of 1885-86. This increase of four lakhs, incurred at a time when special measures were being taken for general reduction of expenditure, cannot be expected to escape rigorous scrutiny. The Government of India have carefully examined the proposals for reduction made by the Finance Committee and the objections made to them by the Government of Bombay; and the following figures will show how far it has decided to accept these objections:—

	Budget Estimate, 1886-87.	Finance Committee's proposals.	Bombay Government's proposals.	Allotment now fixed.	
University . . . . .	27	15	15	15	} Subject to Revised estimates.
Direction . . . . .	43	43	43	43	
Inspection . . . . .	2,20	2,17	2,20	2,20	
Government Colleges, General . . . . .	1,72	1,54	1,72	1,72	
Professional . . . . .	98	94	98	98	
Government Schools, General . . . . .	3,70	3,65	3,70	3,70	
Special . . . . .	1,00	89	1,00	1,00	
Technical Instruction . . . . .	50	14	50	50	
Grants-in-aid . . . . .	5,23	3,77	4,67	4,17	
Scholarships . . . . .	38	31	28	31	
Miscellaneous . . . . .	16	5	16	16	
	16,57	13,91½(a)	15,79	15,22	
Contributions . . . . .	3,24	2,17	3,24	3,07	

(a) Further reduced to 13,90 on ground of excess Estimate.

39. The Government of India have given full consideration to the argument based upon the pledges given by the Government of Bombay to incur expenditure on various educational objects. But the Government of India cannot consider itself bound, as a matter of course, to find, out of the general revenues, the money wherewith to redeem pledges to which it is no party. Pledges of the kind are necessarily subject to financial exigencies, and when the question lies between the postponement of their fulfilment and the imposition of taxation in other provinces to enable the Government of India to meet them, the Government of India has no choice but to leave them out of account. As the Govern-

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ment of India wrote, in its letter to the Government of Bombay, No. 3395, dated 29th September last,—

“The Governor General in Council does not think it necessary to remind the Government of Bombay that pledges such as those referred to in paragraph 1 of the letter under reply are necessarily given subject to financial considerations, and that those to whom the pledges have been made cannot be allowed to claim their fulfilment irrespective of the financial situation of the Government of India and of the Local Government.”

40. *Medical*.—The receipts under the whole head, and the expenditure under Medical Establishment, Medical College, Lock Hospital, and Chemical Examiner were taken by the Committee at the Estimate of 1885-86, and under these heads the Government of Bombay make no objections.

41. The question of the amalgamation of the Sanitary Commissioner and the Surgeon General will be the subject of separate treatment, and if the amalgamation is considered desirable, the Provincial allotment will be correspondingly reduced. Meantime the estimates will be taken on the existing basis, less R6,000 which will be transferred to the Port Trust. The proposal of the Government of Bombay to reserve this R6,000 for increases of pay is one of those already referred to as inadmissible.

42. Under *Hospitals and Dispensaries* the Government of India adheres to the estimate of the Committee, as there are many ways in which the Government expenditure under these heads can be curtailed. An additional R5,000 will, however, be given in respect of the Kama Hospital, in respect of which the Government of India is unable to admit the claim to a grant of R40,000 a year, especially as the Secretary of State has refused to sanction the pays originally proposed by the Government of Bombay for the two lady medical officers.

43. Under the remaining heads the Government of Bombay claim a considerable increase only in respect of the Lunatic Asylums. The Government of India concede R5,000 in addition to the Committee's estimate, on account of the Ratnagiri Lunatic Asylum, regarding which the Committee were not informed. As regards the rest of the claim, the Government of India consider that the Finance Committee's Note establishes the possibility of a large reduction of expenditure by ordinarily careful management.

44. *Political*.—Proposals for the provincialisation of most of the expenditure under this head are under consideration.

45. *Scientific and Minor Departments*.—The Committee here provided according to the Budget Estimate, 2,45, reducing it only under the head of Veterinary College, where they took 20 instead of 36. The Government of Bombay alter this estimate in several small points; the net result being that they require (including Agricultural Department which they deal with as transferred to Land Revenue) 2,53, or 24 in addition to the Committee's estimate. The greater part of this arises from their demand for an addition of 18 on account of possible future exhibitions and fairs. The Government of India is not in a position to engage in any considerable expenditure of this kind and is obliged to refuse this addition. It seems to the Government of India that the expenditure under the whole head should be kept within the Committee's estimate.

46. *Superannuations*.—The Government of India is not disposed, in view of the information placed before it by the Finance Committee, to transfer the pension charges payable in this country to its own account. The amount will be included in the Provincial Contract at the figure which, upon the Revised Estimates, seems to be the proper standard.

47. *Stationery and Printing and Miscellaneous*.—Under these heads the Government of India do not consider that the proposals of the Finance Committee have been successfully answered by the Government of Bombay, and the figures of the Committee will therefore be adhered to, unless on consideration of the Revised Estimates they appear to require modification. The existing expenditure seems, as reported by the Committee, to be capable of some small economies.

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48. *Telegraph and Post Office.*—The figures proposed by the Government of Bombay will be accepted, namely, 4—11 and 2—1,07.

49. *Miscellaneous Railway Expenditure.*—The Government of India are unable to make any allowance for expenditure of this kind. There is no prospect of funds for the construction of railways being available within any reasonable period, and it is useless in the present state of the finances to spend money on surveys.

50. *Minor Irrigation Works.*—No part of irrigation is at present Provincial, and the question of transferring the expenditure to Provincial will be discussed separately in reply to the Government of Bombay's letters Nos. 3367 and 3368 of 3rd December.

51. *Civil Works.*—The Government of India, after giving full consideration to the representations of the Government of Bombay, has determined to add two lakhs under original works and 30 under repairs to the estimate framed by the Committee, and to fix the future assignment, on the whole account, at 29,30 in lieu of the Committee's estimate of 27,00. It is not possible consistently with other demands on the Treasury to allow for a higher actual rate of expenditure than this. The amount thus allowed is meant for all expenditure of the kind that falls upon Provincial revenues, and will include any expenditure in the form of aid to Local Fund Works.

52. *Contributions to Local Funds.*—Under this head the Committee's estimate and those of the Government of Bombay are thus compared:—

	Committee.	Government of Bombay.
1. For one-anna cess . . . . .	1,55	1,55
2. Schools . . . . .	2,25 (a)	3,24
3. Dispensaries . . . . .	18	18
4. Anachatra . . . . .	2	2
5. Ratnagiri and Poona . . . . .	...	8
6. Local Fund Works . . . . .	...	50
7. Pound Surplus . . . . .	85	85
	4,85	6,42

(a) Including the 8 separately shewn.

No. 2 and No. 6 have been discussed above in paragraphs 38 and 51. As regards No. 5, the grant of 4 to Ratnagiri is allowed as part of the 3,07 granted under "Education." In the case of that for the Bund gardens at Poona, the grant seems to be a charge on existing Provincial balances, and should be met from them and not by falling back upon an addition to the assignment from Imperial.

CONCLUSION.

53. The sums at which, subject to reconsideration on the points stated to be reserved for re-examination in view of the Revised Estimates, the Government of India has estimated the assignment of revenues under provincial rules, and the expenditure to be met from them are set forth in the annexed statement. The result is that the assigned revenues according to the existing system of distribution are now estimated at 3,92,05 against 3,93,21 as estimated by the Committee; and 3,70,86 is estimated as necessary to meet existing expenditure against 3,65,54 estimated by the Committee. This reduces the amount to be resumed by the Government of India from 27,67 to 21,19.

ORDER.—Ordered, that this Resolution be communicated for information as follows:—

- To the Home, Revenue and Agriculture, and Public Works Departments.
- To the Government of Bombay.
- To the Accountant General, Bombay.
- To the Comptroller and Auditor General.

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No. 301. ]

BOM

REVENUE.	TOTALS.			PROVINCIAL SHARE AS SETTLED BY THE GOVERNMENT OF INDIA.		Difference between the Government of India and the Local Government's estimate of the Provincial share under the old system of distribution.
	As estimated by the Finance Committee.	As estimated by the Government of Bombay.	As determined by the Government of India.	According to the old system of distribution.	As proposed to be distributed in future.	
<b>REVENUE UNDER CIVIL HEADS.</b>						
Land Revenue (Alienated) . . . . .	73,27	73,27	73,27	73,27	73,27	...
Land Revenue (Remainder) . . . . .	3,29,00	3,27,20	3,28,00	1,96,21	82,00	+ 47
Salt (Miscellaneous) . . . . .	37	24	24	24	24	...
Stamps . . . . .	44,80	44,00	44,80	22,40	33,60	+ 40
Excise . . . . .	90,05	86,00	90,05	45,03	22,51	+2,03
Provincial Rates (Provincial portion) . . . . .	55	55	55	55	55	...
Customs (Miscellaneous) . . . . .	45	36	36	36	36	...
Assessed Taxes . . . . .	27,25	30,00	27,25	6,30	13,63	...
Forests . . . . .	31,00	29,00	31,00	15,50	15,50	+1,00
Registration . . . . .	3,93	3,93	3,93	1,97	1,97	...
<b>TOTAL REVENUE HEADS</b> . . . . .	<b>6,00,87</b>	<b>5,94,55</b>	<b>5,99,45</b>	<b>3,61,83</b>	<b>2,43,63</b>	<b>+3,90</b>
Law and Justice (Excluding Jails) . . . . .	2,85	2,85	2,85	2,85	2,85	...
Law and Justice (Jails) . . . . .	2,35	2,30	2,35	2,35	2,35	+ 5
Police . . . . .	9,26	7,93	7,93	7,93	7,93	...
Marine . . . . .	50	49	50	50	50	+ 1
Education . . . . .	3,00	2,65	3,00	3,00	3,00	+ 35
Medical . . . . .	75	75	75	75	75	...
Scientific, &c., Departments . . . . .	21	22	21	21	21	- 1
<b>TOTAL CIVIL DEPARTMENTS</b> . . . . .	<b>17,92</b>	<b>17,19</b>	<b>17,59</b>	<b>17,59</b>	<b>17,59</b>	<b>+ 40</b>
Interest (Provincial) . . . . .	57	55	57	57	57	+ 2
Superannuations (Provincial) . . . . .	1,60	(a) 1,60	1,60	1,60	1,60	...
Stationery (Provincial) . . . . .	44	42	44	44	44	+ 2
Miscellaneous (Provincial) . . . . .	62	62	62	62	62	...
<b>TOTAL MISCELLANEOUS</b> . . . . .	<b>3,23</b>	<b>3,19</b>	<b>3,23</b>	<b>3,23</b>	<b>3,23</b>	<b>+ 4</b>
Post Office . . . . .	2	2	2	2	2	...
Telegraph . . . . .	4	4	4	4	4	...
<b>REVENUE UNDER PUBLIC WORKS HEADS.</b>						
Irrigation—Minor Works . . . . .	1,39	(a) ...	...	...	...	...
Civil Works . . . . .	7,53	7,53	7,53	7,53	7,53	...
<b>TOTAL PUBLIC WORKS REVENUE</b> . . . . .	<b>8,92</b>	<b>7,53</b>	<b>7,53</b>	<b>7,53</b>	<b>7,53</b>	<b>...</b>
<b>TOTAL ORDINARY REVENUES</b> . . . . .	<b>6,30,80</b>	<b>6,22,52</b>	<b>6,27,86</b>	<b>3,90,24</b>	<b>2,72,04</b>	<b>+4,34</b>
Corrections of Allotment— Transfers on account of various reclassifications . . . . .	...	...	...	1,81	...	...
<b>TOTAL RESOURCES</b> . . . . .	<b>6,30,80</b>	<b>6,22,52</b>	<b>6,27,86</b>	<b>3,92,05</b>	<b>2,72,04</b>	<b>+4,34</b>

(a) Bombay Government



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BAY.

EXPENDITURE.	TOTALS.			PROVINCIAL SHARE AS SETTLED BY THE GOVERNMENT OF INDIA.		Difference between the Government of India and the Local Government's Estimate of the Provincial share under the old system of distribution.
	As estimated by the Finance Committee.	As estimated by the Government of Bombay.	As determined by the Government of India.	According to the old system of distribution.	As proposed to be distributed in future.	
Expenditure under Civil Heads . . . . .	1,52	(a) 1,52	1,52	91	38	...
Refunds, Land Revenue . . . . .	2,82	3,53	3,03	1,51	1,17	...
Divided Heads . . . . .	...	...	...	...	...	...
Provincial Rates (Provincial)	74,00	74,00	74,00	74,00	74,00	...
Assignments . . . . .	8,80	9,40	9,25	9,25	9,25	-15
Land Revenue, Survey and Settlement—						
Collectors and Establishments . . . . .	29,59	30,88	29,58	29,56	29,56	-1,30
Agricultural Department . . . . .	...	81	...	...	...	-81
Allowances to Village Officers . . . . .	27,42	27,42	27,42	27,42	27,42	...
Salt (Provincial Establishment and Treaty Salt) . . . . .	9,12	(a) 9,12	9,12	9,12	...	...
Stamps . . . . .	1,90	1,94	1,94	97	1,45	...
Excise . . . . .	2,58	2,58	2,58	1,29	65	...
Provincial Rates . . . . .	55	55	55	55	55	...
Customs . . . . .	4,80	(a) 4,80	4,80	4,80	...	...
Assessed Taxes . . . . .	45	60	45	10	23	...
Forests . . . . .	18,50	18,52	18,50	9,25	9,25	-1
Registration . . . . .	2,40	2,52	2,52	1,26	1,26	...
<b>TOTAL REVENUE HEADS</b> . . . . .	<b>1,84,39</b>	<b>1,88,19</b>	<b>1,85,26</b>	<b>1,69,99</b>	<b>1,55,17</b>	<b>-2,27</b>
General Administration, except Account and Currency Offices and Bank charges . . . . .	12,39	12,58	12,49	12,49	12,49	-9
Law and Justice (excluding Jails) . . . . .	44,79	44,93	44,62	44,62	44,62	-31
Law and Justice, Jails . . . . .	6,13	6,13	6,07	6,07	6,07	-6
Police . . . . .	50,22	51,61	50,37	50,37	50,37	-1,24
Marine . . . . .	23	23	23	23	23	...
Education . . . . .	13,90	15,79	15,22	15,22	15,22	-57
Medical . . . . .	12,70	13,30	12,80	12,80	12,80	-50
Political (Rents and Rates) . . . . .	2	2	2	2	2	...
Scientific, &c., Departments, except Archaeological . . . . .	2,29	2,10	2,29	2,29	2,29	+19
<b>TOTAL CIVIL DEPARTMENTS</b> . . . . .	<b>1,42,61</b>	<b>1,46,89</b>	<b>1,44,11</b>	<b>1,44,11</b>	<b>1,44,11</b>	<b>-2,58</b>
Superannuations, except Lapsed Funds . . . . .	12,95	12,95	12,95	12,95	12,95	...
Stationery (except Purchases for Central Stores) . . . . .	5,84	5,90	5,84	5,84	5,84	-6
Miscellaneous (Provincial items) . . . . .	1,82	1,94	1,82	1,82	1,82	-12
<b>TOTAL MISCELLANEOUS</b> . . . . .	<b>20,61</b>	<b>20,79</b>	<b>20,61</b>	<b>20,61</b>	<b>20,61</b>	<b>-18</b>
Post Office . . . . .	1,07	1,07	1,07	1,07	1,07	...
Telegraph . . . . .	7	11	11	11	11	...
<b>PUBLIC WORKS.</b>						
Miscellaneous Railway Expenditure . . . . .	...	33	...	...	...	...
Irrigation—Minor Works . . . . .	15,13	(a) ...	...	...	...	...
Civil Works—						
Original Works . . . . .	5,00	8,50	7,00	7,00	7,00	-1,50
Repairs . . . . .	12,50	13,50	12,80	12,80	12,80	-70
Establishment . . . . .	8,50	9,00	8,50	8,50	8,50	-50
Civil Officers . . . . .	1,00	75	75	75	75	...
Other Charges . . . . .	1,00	25	25	25	25	...
<b>TOTAL CIVIL WORKS</b> . . . . .	<b>27,00</b>	<b>32,00</b>	<b>29,30</b>	<b>29,30</b>	<b>29,30</b>	<b>-2,70</b>
<b>TOTAL PUBLIC WORKS</b> . . . . .	<b>42,13</b>	<b>32,33</b>	<b>29,30</b>	<b>29,30</b>	<b>29,30</b>	<b>-2,70</b>
<b>TOTAL ORDINARY EXPENDITURE</b> . . . . .	<b>3,90,88</b>	<b>3,89,18</b>	<b>3,80,46</b>	<b>3,65,19</b>	<b>3,50,37</b>	<b>-7,73</b>
Add—Contribution to Local (Net) . . . . .	4,85	6,42	5,67	5,67	5,67	-75
	<b>3,95,73</b>	<b>3,95,60</b>	<b>3,86,13</b>	<b>3,70,86</b>	<b>3,56,04</b>	<b>-8,48</b>

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

Pros. No. 302 ]

New Provincial contract with Bombay.

No. 1242, dated 11th March, 1887.

No. 302. ] RESOLUTION—By the Government of India, DEPARTMENT OF FINANCE AND COMMERCE.

Read again—

Resolution in this Department, No. 467, dated the 28th January 1887.

RESOLUTION.—It becomes necessary now to reconsider, in the light of the Revised Estimates, such of the figures of the proposed Provincial Contract with Bombay as were, in the Resolution of 28th January, still subject to reconsideration.

*Salt and Customs.*—The minor receipts creditable to Provincial were taken at 24 and 36. The Revised Estimates give 18 and 49, so that no alteration on the whole amount is called for.

*Stamps and Excise.*—The facts here are as follows:—

	Ten months' actuals.	Estimate for February and March.	Total.
Stamps . . . . .	40,01	7,89(a)	47,90
Excise . . . . .	75,72	15,74(b)	91,46

These estimates seem on present information to be probable ones.

*Forests (Net).*—Ten months have given revenue 18,44 against 17,49 last year, so that unless a falling off takes place during the last two months, the revenue would be 95 in excess of last year's revenue, or 34,61. On the expenditure side the figures of ten months are almost the same as last year, and allowing six lakhs expenditure for the last two months, which is more than was spent in either of the last two years, we should get expenditure 19,12. The net revenue would, therefore, be 15,49, against 15,36 realized last year.

The Estimates under these three heads, as they stand in the Resolution of 28th January, compare as follows with the probable result of the current year:—

	Resolution, 28th January.	Present Estimate.
Stamps . . . . .	44,80	47,90
Excise . . . . .	90,05	91,46
Forests (net) . . . . .	12,50	15,49
	1,47,35	1,54,85

It is possible that the excess under the first head is due to casual receipts of a kind that may not, to the same extent, recur, and it is possible that there may not be a continuance of the same high standard of net Forest revenue. At the same time these figures shew that, unless the revenue absolutely falls off, there will be, under these three heads alone, an excess of 7,50 (Provincial share 3,75), and that even if the estimates are now put two lakhs higher (1,00 under Stamps, and 1,00 under Excise) than the figures taken in the Resolution of 28th January, the Estimates thus stated would be a very safe standard of the probable realizations in future.

(a) This was realized in February and March 1885 and again in 1886.

(b) The realizations this year and last year compare as follow:—

December . . . . .	6,76	6,88	} Estimated falling-off by 50 a month.
January . . . . .	8,32	7,84	
February . . . . .	7,74	7,24	
March . . . . .	9,00	8,50	

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

New Provincial contract with Bombay.

[ Pros. No. 302

*Assessed Taxes.*—The estimate under this head necessarily awaited the latest information regarding the progress of assessment and collection. The actual collections of December and January were 3,49 and 2,93 respectively, and allowing only four lakhs for February and March, the total for the year would come to 29,72; which, allowing half a lakh for refunds (which in eight months were only R14,378) would give 29,20 as a fair standard of collection. Of this amount 1,10 represents deduction from surplus profits of Railways and is wholly Imperial, while the balance 28,10 is divided in moieties.

The receipts under Civil Departments, excluding Police, and excluding also a special receipt, understood to be about 30, under Medical, come to 9,96 in the Revised Estimates against 9,66 taken in the statements attached to the Resolution of January 1887, so that here also the margin appears to be in favour of the Government of Bombay. Under Interest and Miscellaneous heads the receipts of 1886-87 are also likely to be a little better than the 3,23 taken in the statement; and similarly under Civil Works the estimates are 7,55 against the Committee's 7,53.

Turning to the expenditure side, the charges for District administration are likely to be only 29,10, as compared with the figure 29,70 taken as the starting-point in the calculations of the amount to be allowed under this head. There is reason to believe that the figure is exceptionally low this year, as it stood at 29,71 and 29,64 in each of the last two years; and in any case the Government of India proposes to leave to the Government of Bombay the advantage of the higher Estimate.

Under General Administration and Law and Justice (Courts), the proposed provision, after making reductions for certain economies, was 12,49 and 44,62. The present estimates of the actual expenditure of 1886-87 (which these economies do not affect) is 12,60 and 44,52, so that here also the revised estimates shew reason rather for diminishing than for enhancing the provision made in the proposed contract.

The Resolution above quoted provided under Police for Presidency Police, 5,29 expenditure, less 2,42 recoveries, or 2,87, and for District force, 35,00. The Revised Estimates under these heads are 2,99 and 35,10, giving hardly any excess. Under other heads the Revised contains some special arrear adjustment of charges for Railway Police, and is also worse than the Finance Committee's figures in respect of receipts from Municipalities, as it would appear that Municipalities are to contribute even less than the Finance Committee, on past accounts, estimated. But this transfer of charge to Government can hardly be made up for by a grant from the imperial revenues.

Under Education, the amounts under the last five heads of the statement in paragraph 38 of the Resolution of 28th January—*viz.*, Technical Instruction 50, Grants-in-aid 417, Scholarships 31, Miscellaneous 6 (misprinted 16), Contributions to Local Funds 307, being an aggregate of 811—were allowed independently of the Revised Estimates. The other heads are not those in which any increase of expenditure was proposed by the Government of Bombay and they were to be taken at the amount shewn to be the measure of the actual expenditure. For this purpose the following statistics are shewn:—

	Ten months.		Twelve months.	
	1885-86.	1886-87.	1885-86.	1886-87.
University (fixed grant) . . . . .	...	...	...	15
Direction . . . . .	29	36	37	43
Inspection . . . . .	1,76	1,75	2,18	2,18
Government Colleges, General . . . . .	1,17	1,22	1,47	1,55
"    "    Professional . . . . .	81	88	1,00	1,05
"    Schools, General . . . . .	2,93	2,96	3,61	3,65
"    "    Special . . . . .	71	73	86	90
	—	—	—	—
	...	...	...	9,91
	—	—	—	—

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

Proa. No. 802 ]

New Provincial contract with Bombay.

In the above statement the first three columns are all actuals, and the last is the estimate, largely based upon those actuals.

The Revised Estimates would therefore fix the grant at 9,91 + 8,11 or 18,02 against the amount actually assigned, which is 18,29; so that here also a fair margin is left to the Government of Bombay.

Under Medical the revised figures are higher than the allowance proposed to be given in the contract; but the difference (13,23 less 12,80) is less than the amount which it is considered that the Government of Bombay can make up by savings.

Under Superannuations, the Revised Estimates shew that the expenditure is very accurately taken at the Committee's figure. Under Stationery and Printing, though the Printing charges are placed high in the Revised, the actuals of 1886-87, so far as they have gone, indicate an even lower figure than last year; and under Miscellaneous, the Revised Estimate is higher than the Committee's Estimate, mainly by reason of charges for Jubilee celebration and for Special Commissions of Enquiry for which it is not necessary to provide in the future contract.

The result of the examination, in the light of the Revised Estimates, of the figures adopted in the Resolution of 28th January as the standard for the contract, is to shew that these figures are, under almost every head, very favourable to the Government of Bombay. The Government of India does not wish to frame the new contract in such a way as to impose upon the Government of Bombay any difficulty in fitting its expenditure to the reduced assignment of revenue, and it therefore, with the exception of the one lakh of rupees resulting from the revision of the revenue figures, abandons all claims to revise, in its own interest, the assignments proposed in the Resolution of 28th January. But the contract thus made gives to the Government of Bombay, upon the existing standard of revenue expenditure, a margin under nearly every head, and in some cases very considerable margins.

The contract figures are re-stated in the table attached to this Resolution. They are the same as those of 28th January with the following exceptions:—

- (1) One lakh added to total of Stamps, and one lakh to total of Excise Revenue as above explained.
- (2) Assessed Taxes raised to 29,20, of which provincial share is 14,05.
- (3) The alienated Land Revenue is stated at the following revised figures:—

<i>Revenue</i> . . . . .	81,00	in lieu of	73,27
<i>Expenditure—</i>			
Assignments . . . . .	66,89	" "	59,29
Land Revenue . . . . .	9,28	" "	9,17
Police . . . . .	4,92	" "	4,81

- (4) Presidency Police receipts 2,42 are struck off the receipt side, and taken by deduction from expenditure.
- (5) (In the final column) Assignments, Provincial, are reduced by 71, being one-quarter of the Excise compensations which ceases to be Provincial and becomes Imperial.

The result of the Estimates is as follows:—

	Distributed according to old contract.	Distributed according to new contract.
Revenue . . . . .	3,98,45	2,78,86
Expenditure . . . . .	3,76,28	3,60,73
Surplus . . . . .	22,19	...
Deficit . . . . .	...	81,87

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

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New Provincial contract with Bombay.

[Pros. No. 302

The new contract therefore is that the Government of Bombay will receive, for its provincial share, the proportion of Revenues shewn in the final columns of the statement, and in addition thereto the lump sum (which will be transferred through the Land Revenue head) of 81,87.

And that it will bear the proportions of expenditure shewn in the final columns of the expenditure side of the same statement.

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ORDER.—Ordered, that this Resolution be communicated to the Government of Bombay; to the Home, Revenue and Agricultural, and Public Works Departments; to the Comptroller and Auditor General; and to the Accountant General, Bombay.

PROCEEDINGS OF THE DEPARTMENT OF  
FINANCE AND COMMERCE, APRIL, 1887.

Pros. No. 303 ]

New Provincial contract with Bombay.

No. 303. ]

*Assignment of Revenue and*

	Estimate for purposes of the Contract. 1	Provincial Share according to existing Contract. 2	PROVINCIAL SHARE UNDER NEW CONTRACT.	
			Proportion. 3	Amount. 4
<b>REVENUE.</b>				
<b>Civil Heads.</b>				
Land Revenue (Divisible)	3,28,00	1,96,21	One-fourth]	82,00
Land Revenue (Provincial)	81,09	81,09	Whole	81,09
Salt (Miscellaneous—Provincial)	24	24	Whole	24
Stamps	45,80	22,90	Three-fourths	34,35
Excise	91,05	45,53	One-fourth	22,76
Provincial Rates (Provincial portion)	55	55	Whole	55
Customs (Miscellaneous)	36	36	Whole	36
Assessed Taxes	29,20	6,30	Half	14,05
Forests	31,00	15,50	Half	15,50
Registration	3,93	1,97	Half	1,97
<b>TOTAL REVENUE HEADS</b>	<b>6,11,22</b>	<b>3,70,65</b>	...	<b>2,52,87</b>
Interest (Provincial)	57	57	Whole	57
Law and Justice, Courts	2,85	2,85	Whole	2,85
Law and Justice, Jails	2,35	2,35	Whole	2,35
Police (Provincial portion)	5,51	5,51	Whole	5,51
Marine (Provincial portion)	50	50	Whole	50
Education (Provincial portion)	3,00	3,00	Whole	3,00
Medical (Provincial portion)	75	75	Whole	75
Scientific and Minor Departments (Provincial portion)	21	21	Whole	21
<b>TOTAL CIVIL DEPARTMENTS</b>	<b>15,17</b>	<b>15,17</b>	...	<b>15,17</b>
Superannuations (Provincial)	1,60	1,60	Whole	1,60
Stationery (Provincial)	44	44	Whole	44
Miscellaneous (Provincial)	62	62	Whole	62
<b>TOTAL MISCELLANEOUS</b>	<b>2,66</b>	<b>2,66</b>	...	<b>2,66</b>
Post Office	2	2	Whole	2
Telegraph	4	4	Whole	4
<b>Public Works (Ordinary)</b>				
Civil Works	7,53	7,53	Whole	7,53
<b>TOTAL PUBLIC WORKS</b>	<b>7,53</b>	<b>7,53</b>	...	<b>7,53</b>
<b>TOTAL REVENUE</b>	<b>6,37,21</b>	<b>3,96,64</b>	...	<b>2,78,86</b>
<b>Corrections of Allotment—</b>				
Transfers on account of various reclassifications.	...	1,81	...	...
Adjustment of Land Revenue under the new Contract	...	...	...	+ 81,87
<b>GRAND TOTAL</b>	...	<b>3,98,45</b>	...	<b>3,60,73</b>

*Expenditure, Bombay.*

	Estimate for purposes of the Contract. 1	Provincial Share according to existing Contract. 2	PROVINCIAL SHARE UNDER NEW CONTRACT.	
			Proportion. 3	Amount. 4
<b>EXPENDITURE.</b>				
<b>Civil Heads.</b>				
Refunds (Land Revenue) . . . . .	1,52	91	One-fourth	38
" (Divided heads) . . . . .	3,03	1,51	Differing	1,17
Assignments, Provincial (a) . . . . .	81,60	81,60	(a)	80,89
Land Revenue (Surveys and Settlements) . . . . .	9,25	9,25	Whole	9,25
" " (Collectors and Establishments) . . . . .	29,69	29,69	...	29,69
" " (Allowances to Village Officers) . . . . .	27,42	27,42	Whole	27,42
Salt (Provincial Establishment and Treaty Salt) . . . . .	9,12	9,12		
Stamps . . . . .	1,94	97	Three-fourth	1,45
Excise . . . . .	2,58	1,29	One-fourth	65
Provincial Rates . . . . .	55	55	Whole	55
Customs . . . . .	4,80	4,80		
Assessed Taxes . . . . .	45	10	Half	23
Forests . . . . .	18,50	9,25	Half	9,25
Registration . . . . .	2,52	1,26	Half	1,26
<b>TOTAL REVENUE HEADS</b> . . . . .	<b>1,92,97</b>	<b>1,77,70</b>		<b>1,62,17</b>
General administration (excluding Account and Currency Offices and Bank charges) . . . . .	12,49	12,49	Whole	12,49
Law and Justice, Courts . . . . .	44,62	44,62	Whole	44,62
" " Jails . . . . .	6,07	6,07	Whole	6,07
Police . . . . .	48,06	48,06	Whole	48,06
Marine . . . . .	23	23	Whole	23
Education . . . . .	15,22	15,22	Whole	15,22
Medical . . . . .	12,80	12,80	Whole	12,80
Political (Rents and Rates) . . . . .			Whole	
Scientific and Minor Departments (excluding Archæological) . . . . .	2,29	2,29	Whole	2,29
<b>TOTAL CIVIL DEPARTMENTS</b> . . . . .	<b>1,41,80</b>	<b>1,41,80</b>		<b>1,41,80</b>
Superannuations (Provincial) . . . . .	12,95	12,95	Whole	12,95
Stationery (except purchases for Central Stores) . . . . .	5,84	5,84	Whole	5,84
Miscellaneous (Provincial) . . . . .	1,82	1,82	Whole	1,82
<b>TOTAL MISCELLANEOUS</b> . . . . .	<b>20,61</b>	<b>20,61</b>		<b>20,61</b>
Post Office . . . . .	1,07	1,07	Whole	1,07
Telegraph . . . . .	11	11	Whole	11
<b>Public Works (Ordinary).</b>				
<b>Civil Works.</b>				
Original Works . . . . .	7,00	7,00	Whole	7,00
Repairs . . . . .	12,80	12,80	Whole	12,80
Establishment . . . . .	8,50	8,50	Whole	8,50
Civil Officers . . . . .	75	75	Whole	75
Other charges . . . . .	25	25	Whole	25
<b>TOTAL CIVIL WORKS</b> . . . . .	<b>29,30</b>	<b>29,30</b>		<b>29,30</b>
<b>TOTAL ORDINARY EXPENDITURE</b> . . . . .	<b>3,85,86</b>	<b>3,70,59</b>		<b>3,55,06</b>
Contributions to Local Funds (net) . . . . .	...	5,67	Whole	5,67
<b>GRAND TOTAL</b> . . . . .	<b>...</b>	<b>3,76,26</b>		<b>3,60,73</b>

(a) Payments under the Goa Treaty are Imperial; Excise compensations are divided proportionally; all others are wholly Provincial.

No. 10—The Honble Mr J. M. Mehta, M. A.

FINANCIAL STATEMENT OF THE  
GOVERNMENT OF BOMBAY FOR  
THE YEAR 1893-94.

*Introductory.*

In this statement, except where the sign Rs. is prefixed, the figures used represent thousands of rupees. It deals only with such revenue and expenditure as have been placed by contract with the Government of India under the control of the Government of Bombay. The contract now current was fixed with effect from 1892-93 and places under the control of this Government the whole or a fixed proportion of the revenue and expenditure under certain heads stated in detail in Appendix A. For the purposes of the contract the revised figures of 1891-92 were taken as the standard. Certain items regarded as non-recurring or abnormal were omitted or modified. The totals of the estimated annual revenue and expenditure are thus determined under the heads or shares of heads appropriated as Provincial were compared, and the deficiency in the estimated receipts as compared with the estimated expenditure was made up by a fixed additional allotment adjusted through the Land Revenue account. The contract rests on the general understanding that for any increased expenditure this Government must depend on the expansion of its revenue or a more economical distribution of its funds, and that, on the other hand, no demands outside the contract will under ordinary circumstances be made on its resources. The classification of Revenue and Expenditure as between Imperial and Provincial follows for the most part that adopted under the last contract, the most important changes being that

- (1.) Inter-provincial adjustments have been stopped.
  - (2.) Railway Police have been wholly provincialized.
  - (3.) The charges of the Inspector-General of Jails, Registration and Stamps, and of such members of his establishment as are not wholly entertained for one department, which were formerly divided among the 3 heads Jails, Registration and Stamps, have now been taken to the head of General Administration and made wholly Provincial.
  - (4.) The Provincial Establishment of the Accountant General's office has been made Imperial.
  - (5.) Extraordinary items—Miscellaneous, not in excess of Rs. 10,000, have been made Provincial.
2. The effect of the arrangement, stated broadly, is that Provincial



Pays all charges connected with the collection of the Land Revenue and with the general administration of the Presidency and of what are known as the Civil Departments, *i.e.*, Law and Justice, Police, Marine, Education, Medical, Scientific and other Minor Departments, with the exception of Ecclesiastical and certain items in the Political and Civil Veterinary Departments, Stationery and Printing, Famine relief, and Pensions, &c., and for all Civil Works except those connected with the Salt, Opium, Mint, Currency, Post, Telegraph, and Imperial Political Departments; as well as a share of three-fourths of the expenditure under Stamps, one-half under Assessed Taxes, Forest and Registration, and one-fourth under Excise;

and takes *per contra* one-fourth of the receipts under Land Revenue, all sums credited to the various Civil Departments under its administration, and a share, corresponding to its share in the expenditure, in the receipts under Stamps, Assessed Taxes, Registration, Forest, and Excise.

It also receives some minor items under Salt, Customs, and Miscellaneous and all payments on account of contributions for pensions, and it bears the cost and takes the proceeds of the Hyderabad-Umarkot Railway which is a Provincial undertaking. Contributions paid or received and Interest due to or by this Government are also of course Provincial.

3. In communicating the settlement to this Government, it was pointed out by the Government of India that the contract was a consolidated one and not a collection of separate contracts for each Provincial head, and no details were given as had previously been customary. It will not therefore be possible to compare our estimates for the last and current years with those on which the contract was based. But the total normal expenditure under the heads now classified as Provincial was taken at Rs. 3,89,53,000 and the total revenue at Rs. 3,12,39,000. The assignment required to produce financial equilibrium was fixed accordingly at Rs. 77,14,000, and it was arranged that this sum should be adjusted annually through the head of Land Revenue in accordance with the rule under the last contract.

4. In the remarks which follow it will be convenient to adopt the usual division of the subject, and deal—

*First*, with the accounts of 1891-92, which have been finally closed and represent actuals;

*Second*, with the latest revised estimates for the year 1892-93;

*Third*, with the budget estimate for 1893-94;

*Fourth*, with Local Funds.

The figures of Revenue and Expenditure under each major head for each of the first three branches of the subject will be found in Appendix B and those relating to the fourth in para. 44 and Appendix C.

## SECTION I.

*Accounts of 1891-92.*

5. The actuals of 1891-92 are given and compared in detail with those of 1890-91 in the statement and review published by the Accountant General at pages 101 to 107 of the *Bombay Government Gazette* of the 16th February. Their totals as compared with the original and revised budget estimates for the same year are given below :—

	Budget.	Revised.	Actuals.
Revenue ... ..	4,04,47	4,07,97	4,07,48
Expenditure ... ..	4,23,02	4,15,17	4,12,80
$\frac{+}{-}$ Deficit ... ..	18,55	7,20	5,32

The year opened with a balance of 46,02. The closing balance, which was originally estimated at 26,85, worked out eventually to 40,70—a result mainly due to unavoidable delay in the introduction of certain schemes of reorganization and administrative reform, and in the execution of various civil works, for which provision had been made.

6. The Revenue figures do not call for much remark; the budget estimate was a liberal one and did not admit of very material improvement, and the variations were in most cases unimportant. Alienated Land Revenue showed an increase of 67, but this is only a book credit, being counterbalanced by corresponding entries on the expenditure side. Excise, which for years past has been a steadily increasing head, produced 88 more than the budget estimate. This was due partly to arrear payments in several districts and partly to enhancements of the tree-tax and still-head duty. On the other hand, Forest yielded 1,08 less than was anticipated, notwithstanding more extended operations in the Sind and Northern Circles, the scarcity in the districts of the Southern Marátha Country having caused a serious falling off in the demand for timber and firewood and a considerable reduction in prices.

7. On the Expenditure side there are considerable variations resulting in a decrease of 10,22 in the actuals as compared with the original estimate.

The most important of these are as shown below :—

## INCREASE.

32, *Miscellaneous*.—1,45, caused by the occurrence of two large special items—one of 1,12 paid in arrears on account of Municipal taxation on Government buildings in Bombay under Mr. Stevens' award, the other of 43 on account of the cost of the Commission appointed to enquire into the working of the Deccan Agriculturists' Relief Act debited to Provincial. Apart from these there would have been a small decrease.

37, *Railways*.—22, spent in addition to the amount of the original estimate in order to push on the completion of the Hyderabad-Umarkot State Railway.

*Contributions*.—1,82, made up chiefly of extra grants for school buildings amounting to 71 and contributions towards Local Fund Roads, &c., amounting to 104 as under :—

	Rs.
Construction of the Petlad-Cambay Road	42,527
Construction of approaches to the Tápti crossing on the Dharangaon-Chopda Road in the Khándesh District ...	22,130
Improvement of the Ghote Bhorí Ghát Road in the Násik District ...	7,000
Construction of the Sud-Nála Bridge in the Poona District ...	12,000
Construction of the Kerur Katgeri Road in the Bijápur District...	15,000
Public Works in the Sátára District ...	3,000
Minor items under Rs. 1,000 each ...	1,859

Total Rs. ... 1,03,516

#### DECREASE.

3, *Land Revenue*.—3,04, due to (a) delay, consequent on non-completion of survey records, in the introduction into Northern and Central Divisions of an establishment of Circle Inspectors in connection with the Department of Land Records and Agriculture for which provision had been made; (b) reduction of the Survey Department as their field work draws to a close; (c) absence of a large number of officers on leave; (d) smaller cash payments to village officers.

11, *Forest*.—51, due partly to the falling off in the demand for timber and firewood owing to the scarcity in the Deccan and Southern Marátha Country and consequent curtailment of felling operations, and partly to postponement of a scheme for the reorganization of the superior staff for which provision had been made.

19 A, *Law and Justice, Courts of Law*.—53, due to the absence of Judicial officers on leave and postponement of the appointment of a fourth Presidency Magistrate.

19 B, *Law and Justice, Jails*.—42, due chiefly to savings in rations, contingencies, and cost of raw materials for jail manufactures.

20, *Police*.—4,27, due mainly to delay in obtaining sanction to the reorganisation of the Presidency and District Police, for which a provision of 4 lakhs had been made. There were also savings as compared with the estimate under Village and Special Police—due, in the case of the former, to the fact that

an increase had been estimated for in connection with certain revision settlements which were delayed, and of the latter, to difficulties in carrying out within the year the re-arming of the Gujarāt Agency Police for which provision had been made.

- 22, *Education*.—1,64. Of this 1,04 is merely nominal, being the result not of a diminution of actual expenditure, but of the transfer of certain grants-in-aid from this head to "Civil Works" and to "Contributions to Local Funds" as a matter of account adjustment. Under other minor heads the more important items of decrease are (a) 38 under Government Schools, General, due chiefly to revisions of establishments not being carried out during the year and to an over-estimate of the amount required for grants-in-aid to Municipal Schools, (b) 14 under Government Schools, Special, owing to savings in the School of Art Workshops and to the Vice-Principal being on leave, and (c) 9 under Scholarships. There was an increase of 8 under Government Colleges, Professional, owing to the purchase of chemical apparatus for the College of Science, Poona.
- 24, *Medical*.—62, made up of various small items which do not call for remark.
- 26, *Scientific and other Minor Departments*.—34, occurring chiefly in the Veterinary Department, owing to the fact that the provision for the purchase and maintenance of stallions and for prizes was not worked up to, and that the grant for Civil Veterinary Establishment was not utilized.
- 30, *Stationery and Printing*.—44, due partly to partial lapse of provision for English stores and other items and partly to reduction in pay of Superintendent and smaller issues of paper to Presses.
- 43, *Irrigation*.—37, due to postponement of payment of compensation for land taken up for the Storage works at Gokāk.
- 45, *Civil Works* (in charge of Public Works Officers).—1,21. The gross savings amounted to 8,59 out of a budget allotment of 40,81, and were made up of (a) actual savings in cost of works as compared with estimates 81, (b) savings on account of works postponed or abandoned 4,31, (c) savings on account of short expenditure as compared with the estimates 3,47. These gross savings were reduced to 1,21 by the expenditure of 3,49 on budget works in excess of original allotments, 1,89 on works undertaken for other departments after issue of budget, and 2,00 re-appropriated from savings to new works. Out of the 1,89 mentioned above

32, and out of the 2,00, 30 were on account of Educational works.

8. The net financial result was a deficit of 5,32 met by a corresponding reduction in the balance, which stood at 40,70 at the close as against 46,02 at the opening of the year. With reference to this it may be here explained that the balance which the Provincial Government is required to maintain under the terms of the contract by way of provision against Famine or other unforeseen demands is 20 lakhs, and that it is the policy of Government to spend the surplus as circumstances may demand on remunerative works or to meet heavy non-recurring charges, such for instance as the construction or renewal of buildings required for administrative purposes, rather than to curtail much needed expenditure in other directions for the sake of maintaining it unutilized. The expenditure of the year includes a sum of 11,72 spent on the Hyderabad-Umarkot Railway, which was provided partly out of Revenue and partly by depletion of the balance to the extent above noted, in pursuance of this policy. It should be explained, however, that this is an investment, and that should the Railway be taken over hereafter by the Government of India or a Company, this Government will have a claim for a refund of the capital expenditure.

SECTION II.

Revised Estimates of 1892-93.

9. The Budget and Revised Estimates for 1892-93 are compared below :—

RECEIPTS.				No. of Head of account.	Heads.	No. of Head of account.	EXPENDITURE.			
Budget.	Revised.	Better, that is, more than Estimate.	Worse, that is, less than Estimate.				Budget.	Revised.	Better, that is, less than Estimate.	Worse, that is, more than Estimate.
...	...	...	...	...	Refunds and Drawbacks ... ..	1	1,88	1,03	...	10
...	...	...	...	...	Assignments and Compensation ... ..	2	15,88	15,64	...	1
...	...	...	...	...	Land Revenue ... ..	3	77,60	78,15	...	58
89,67	90,78	1,11	...	I	{ Provincial share of gross land revenue	...	...	...	...	...
90,29	90,38	59	...	...	{ Alienations ... ..	...	...	...	...	...
77,03	77,49	46	...	...	{ Fixed allotment and adjustments	...	...	...	...	...
...	...	...	...	...	{ Cash ... ..	...	60,18	58,32	1,81	...
...	...	...	...	...	{ Alienations ... ..	...	7,82	7,83	...	1
48	37	9	...	III	Salt ... ..	6	No expenditure.	...	...	...
40,69	43,13	2,44	...	IV	Stamps ... ..	7	1,74	1,78	...	4
26,38	26,75	42	...	V	Excise ... ..	...	88	84	9	...
46	42	8	...	VII	Customs ... ..	...	No expenditure.	...	...	...
16,76	17,08	88	...	VIII	Assessed Taxes ... ..	10	25	26	...	1
17,58	16,75	89	...	IX	Forest ... ..	11	11,20	9,75	1,45	...
2,58	2,90	32	...	X	Registration ... ..	12	1,37	1,40	...	3
2,68	2,65	2	...	XII	Interest ... ..	13	1,99	2,05	...	6
2	...	...	...	XIII	Post Office ... ..	15	1,07	1,06	1	...
3	...	...	...	XIV	Telegraph ... ..	16	4	4	...	...
4,04	4,10	6	...	XVI A	General Administration ... ..	18	19,80	18,79	1	...
3,19	3,06	19	...	XVI B	Law and Justice—Courts of Law ... ..	19 A	44,89	43,74	95	...
3,70	4,00	1,20	...	...	Law and Justice—Jails ... ..	19 B	6,58	6,40	18	...
66	69	3	...	XVII	Police—{ Cash ... ..	20	60,88	47,03	8,65	...
3,66	3,78	12	...	...	Police—{ Alienations ... ..	...	4,87	4,87	...	...
1,12	1,21	9	...	XVIII	Marine ... ..	21	41	41	...	...
...	...	...	...	XIX	Education ... ..	22	17,78	16,35	1,43	...
29	28	...	...	XX	Medical ... ..	24	14,61	13,92	69	...
3,37	2,24	...	...	XXI	Political ... ..	25	3,62	3,12	30	...
68	78	8	...	XXII	Scientific and other Minor Departments ... ..	26	2,25	1,82	63	...
60	78	18	...	XXIII	Superannuation Allowances and Pensions ... ..	29	16,82	18,07	...	25
...	...	...	...	XXIV	Stationery and Printing ... ..	30	6,30	6,40	...	50
...	...	...	...	XXV	Miscellaneous ... ..	32	2,56	2,60	...	4
...	...	...	...	...	Famine Relief ... ..	33	1,00	8	97	...
1,07	66	...	42	XXVI	State Railways { Construction ... ..	37	2,80	4,33	...	2,08
...	...	...	...	...	State Railways { Working expenses ... ..	38	77	68	19	...
19	21	9	...	...	State Railways { Miscellaneous Railway expenditure ... ..	41	...	...	...	...
7,70	7,58	18	...	XXX	Irrigation ... ..	43	1,05	20	85	...
1,50	1,53	8	...	XXXII	Civil Works ... ..	46	32,25	34,82	...	2,57
...	...	...	...	...	Contributions from Local to Provincial and vice versa ... ..	...	7,77	7,94	...	17
3,92,24	3,98,94	8,28	1,68	...	Total	...	4,10,91	4,08,96	19,35	6,40
28,82	40,70	...	...	Opening	Balance	Closing	20,15	26,58	...	...

It will be observed that the Revenue promises to turn out better than the estimate under all heads except Customs, Forest, Jails, Scientific and other Minor Departments, Contributions to Pensions, and State Railways, and under all of these except Forest, Pensions and State Railways, the shortcoming is insignificant. The decrease under Forest occurs mainly in the Southern Circle; the sales at Haliyál did not come up to expectation and the auction sale at Hubli had to be postponed owing to absence of timber merchants. The myrobalan crop also was severely damaged by heavy rain in Belgaum, and the grazing receipts fell off in consequence of the mortality among cattle. In the case of Pension Contributions the deficiency is due chiefly to the operation of the Foreign service rules under which the assumed pay on which contribution is levied is taken at a lower rate than formerly, and in the case of State Railways, to the fact that owing to damage by rain and floods the Hyderabad-Umarkot Railway could not be permanently opened for traffic as soon as was expected. Among the items in which the receipts have turned out better than the estimates the most conspicuous are :—

Land Revenue	...	...	...	2,16
Stamps	...	...	...	2,44
Excise	...	...	...	42
Assessed Taxes	...	...	...	88
Registration	...	...	...	22
Police	...	...	...	1,20
Education	...	...	...	12
Miscellaneous	...	...	...	18
Civil Works	...	...	...	18

Of the increase shown under Land Revenue a portion amounting to 1,05 is merely nominal, being on account of the increase in the assessment on alienated lands consequent on revision settlements, and of extra grants made by the Government of India for purposes outside the contract, and adjusted through the Land Revenue head. These items are counter-balanced by corresponding debits under 2, Assignments and Compensations, 3, Land Revenue, and 32, Miscellaneous. The remainder is due partly to expansion of cultivation and revisions of assessment, resulting in an increase in the Provincial share of the divisible revenue, and partly to the allowance made in framing the original estimates for the possible necessity for postponements and remissions in view of the scarcity which was then anticipated. Such measures were fortunately not required to any great extent and the revenue was collected without difficulty. The receipts under Stamps include several large special items which account for the increase exhibited. Under Excise some arrear recoveries were made on account of 1891-92 in the Sholápur and Bijápur districts, and although the total receipts on account of still-head duty exceed the estimate, in some districts the current payments have fallen short of the guaranteed amounts, and payments of some 1,10 are expected to make up the deficiency; the demand for liquor from the Kotri distillery has also largely increased. Receipts under Assessed Taxes (Income tax), and Registration are steadily expanding. The increase under Police is due to recoveries on account of Excise and other private Police in excess of

the estimate, arrears of Harbour Police charges paid by the Bombay Port Trust and adjustments of the value of ordnance stores returned to the Military Department. Under Education the increase is due to the improvement in fees in colleges and schools. The increase under Miscellaneous is attributable partly to larger receipts on account of unclaimed deposits and partly to the change in the contract arrangements, under which extraordinary miscellaneous items under Rs. 10,000 are credited to Provincial.

10. On the Expenditure side there is an appreciable excess over the original estimates under Refunds, Assignments and Compensations (Alienations), Interest, Pensions, Stationery and Printing, Railways (Construction), Civil Works, and Contributions to Local. The increase under Assignments and Compensations (Alienations) is an adjustment of the nominal increase under the corresponding head of Land Revenue. The excess under Interest is due to extra loans from the Government of India for takávi advances during the prevalence of scarcity, and that under Pensions partly to an under-estimate and partly to arrear payments at the Presidency and in Ratnágiri. Under Stationery and Printing some saving is anticipated in "Stationery supplied from central stores", but the transfer under orders of the Comptroller General from the various departmental heads to this head of charges for stationery purchased in the country has caused the Revised largely to exceed the Budget.

Of the excess of 2,57 under Civil Works 2,28 were expended by the Public Works Department, out of additional allotments made by re-appropriation in the course of the year, on various works of which the most important were :—

	Rs.
Drains, Esplanade Road, Bombay ...	11,800
Additions and alterations to the	
Claremont premises, Byculla ...	14,933
Bijápur-Sindgi Road ...	17,411

The remaining 29 were expended by Civil Officers out of re-appropriations on Minor Works connected with the improvement of water-supply in the Poona, Sátára, Sholápur, Belgaum, and Bijápur Districts.

Under Construction of Railways the excess is chiefly explained by (a) a sum of 83 for sleepers being disbursed in 1892-93 instead of, as had been expected, in 1891-92, (b) 40 on account of damage caused by rains and floods, and (c) 33 by which amount the cost of the Fuleli Bridge on the Hyderabad-Umarkot Railway exceeded the estimate.

Under Contributions there is a net saving of 37 under the minor head Grants for Local Public Works : the grant of 28 for the Petlad-Cambay road was paid in 1891-92 and the grant of 12 for the Sud-Nála Bridge was not required last year. Under the minor heads Grants to Schools and School buildings, excesses of 32 and 30 respectively were expected on account of transfers from the Educational Budget in aid of primary education and Local Board schools.

11. Large savings are shown in the Revised under the following heads :— Land Revenue 1,80, Forest 1,45, Law and Justice—Courts of Law 95, Law and

Justice—Jails 18, Police 3,85, Education 1,43, Medical 69, Political 20, Scientific and other Minor Departments 63, Famine Relief 97, Railways—Working expenses 19, Irrigation 85. Most of these have been noticed in detail by the Accountant General in his Review published in the *Government Gazette* of 16th February 1893, and it is only necessary here to touch on a few heads in which alterations have since taken place.

Under Land Revenue the saving is due to delay in the introduction of the Agricultural staff in the Districts and to the fact that the payments of village officers' allowances were smaller than had been anticipated in view of the considerable sums due in arrears, for which provision had been made.

Under Forest the restricted operations in the Southern Circle already referred to, the absence of officers on leave, and the fact that only 11 months' payments had to be made for the reorganization scheme, account for most of the saving.

Out of the decrease of 1,43 under Education, 70 are nominal, 62 having been transferred to Contributions for Primary Education and School Buildings and 8 to the Public Works Department for school buildings. Of the remainder the principal savings are on account of the Law School reorganization scheme not yet sanctioned, the Pupil Teachers' scheme, and Grants to Municipalities, under which item provision had been made for grants to certain Municipalities which have been recently abolished.

12. The net result is a probable reduction of the deficit from 18,67 as originally estimated to 5,12, to be met from balances in pursuance of the policy already referred to. The excess of expenditure over income includes a further sum of 4,33 spent on the Hyderabad-Umarkot Railway, large sums on account of arrears due to village officers and smaller amounts for the provision of office accommodation for the new Agricultural Department.

### SECTION III.

#### *Budget Estimate for 1893-94.*

13. The first point to be noticed in connection with this branch of the subject is that, speaking generally, the estimates for the current year must be expected to follow the lines of the original rather than of the revised estimates for the past year, for the reason that the differences between the original and revised estimates are the result mainly, on the revenue side, of circumstances which cannot be expected to recur, and on the expenditure side, of the postponement of works and projects for which the provision made in the original estimates has in consequence to be renewed. Allowance has however been made for an expansion of 2 lakhs under Land Revenue and for an increase in the traffic receipts from the Hyderabad-Umarkot Railway, which is now fully open, on the revenue side, and for a considerable number of non-recurring charges under civil works, the cost of which will fall mainly



upon the surplus balance with which the year opens. The general result is exhibited below :—

	1892-93.		1893-94.	MORE THAN 1892-93.		LESS THAN 1892-93.	
	Budget.	Revised.		Budget.	Revised.	Budget.	Revised.
Opening balance ...	38,82	40,70	35,58	...	...	2,24	5,12
Revenue according to Budget Estimate ...	3,02,94	3,08,84	4,00,77	9,59	1,08	...	...
Expenditure according to Budget Estimate ...	3,10,91	3,03,06	4,13,62	2,71	9,66	...	...
Deficit ...	18,67	5,12	12,85	...	7,73	5,82	...
Closing balance ...	20,16	35,58	22,73	2,58	...	...	12,86

14. For the purpose of more detailed discussion it will be convenient to take each more important head of revenue, or expenditure, or both, in order as exhibited in the statement under paragraph 9 above, showing the actuals for three years side by side with the original and revised estimates for 1892-93 and the budget estimate for 1893-94.

*Refunds and Drawbacks—1.*

15. This is a head of expenditure only. The figures are as given below :—

	1890-90.	1890-91.	1891-92.	1892-93.		1893-94.
				Budget.	Revised.	
Refunds and Drawbacks ...	1,86	1,86	1,87	1,82	1,93	1,79

Provincial Revenues are debitable with a share of sums refunded under various Revenue heads corresponding to their share of the receipts under the same heads, as exhibited in Appendix A. The most important are under Land Revenue, Stamps, and Excise, and apart from extraordinary items or changes of system their amount varies generally with the magnitude of the transactions of the year under the corresponding Revenue heads. The decrease in the budget for 1893-94 as compared with 1892-93 is attributable to recent changes in the excise system. Drawbacks are entirely Imperial, to which head all receipts from Customs duty are credited.

*Assignments and Compensations—2.*

16. This is also a head of expenditure only.

	1890-90.	1890-91.	1891-92.	1892-93.		1893-94.
				Budget.	Revised.	
Assignments ... { Cash ...	11,39	10,85	10,97	11,49	11,19	11,49
{ Allowance ...	76,07	74,91	77,35	77,90	78,15	75,31
Compensations—Cash ...	0,25	3,76	3,96	4,14	4,45	3,69

Under Assignments the Provincial expenditure consists of cash allowances to Inámdárs, district and village servants and officers, charitable and religious allowances (warsáshans and devastháns) and the assessment less quit-rent of alienated lands. The fluctuations in cash payments are chiefly due to their having occasionally to be made in arrears, and

to the fact that some of those to village officers vary in amount according to a scale based on the amount of the Land Revenue, and are liable to be affected by the introduction of revision settlements. The amount debited as assessment on alienated lands is also liable to variation from the latter cause. Assignments whether of cash or land are entirely Provincial.

Under Compensations the Provincial head is made up of certain Salt and Opium compensations and a share in Excise compensations, and of sundry miscellaneous items, most of them being annually recurring charges. The payments during the year 1892-93, however, included special lump payments to the Chief of Pálanpur on account of his share of opium rights and the Mantri of Islámpur in Sátára as compensation for the abolition of certain haks.

1—Land Revenue—3.

	1889-90.	1890-91.	1891-92.	1892-93.		1893-94.
				Budget.	Revised.	
<b>Revenue—</b>						
Provincial 1/3 share ...	87,06	89,86	89,78	89,67	90,78	92,50
Alienated ...	88,76	89,17	89,98	90,20	90,93	91,16
Contract assignment...	88,72	71,09	92,44	77,03	77,19	77,32
<b>Total ...</b>	<b>2,65,44</b>	<b>2,50,42</b>	<b>2,72,20</b>	<b>2,60,90</b>	<b>2,59,15</b>	<b>2,61,28</b>
<b>Expenditure—</b>						
Charges of District Administration ...	28,24	28,78	29,10	30,41	29,17	29,90
Survey and Settlement ...	10,61	8,52	7,78	6,68	7,44	6,34
Land Records and Agriculture ...	51	68	76	1,63	1,10	1,50
Allowances to District and Village Officers ...	25,60	25,98	26,30	29,23	29,44	27,86
<b>Total ...</b>	<b>64,96</b>	<b>63,91</b>	<b>63,93</b>	<b>67,95</b>	<b>60,15</b>	<b>65,70</b>

17. The revenue under this head is made up of 3 items, *viz.*, the Provincial share of the divisible receipts, plus Alienations, which are credited in full under this head and debited in full, as we have seen, partly under Assignments and Compensations and partly, as will be noticed further on, under Land Revenue and Police, plus the Contract assignment, which is adjusted under this head by deduction from the Imperial and addition to the Provincial share of the divisible revenue.

The steady increase in the first item is a satisfactory illustration of the growth of the land revenue arising from the operations of the Survey Department and the expansion of cultivation. The slight check noticeable in 1891-92 was due to the scarcity prevailing in some parts of the Presidency and to conditions affecting the Broach District, where, in consequence of the early ripening of the cotton crop and delay in disposing of it, part of the demand for the year was paid in advance, while part had to be postponed till 1892-93.

The amount of the adjustment under Alienations is also affected, as we have seen, by the revisions of Land Revenue Settlements.

The fixed assignment under the contract which terminated in 1891-92 was 81,87, to which had been gradually added sums amounting to over 8 lákhs more for services transferred after it had been fixed. In 1890-91 a special contribution of 17½ lákhs was made by Provincial to Imperial Revenues out of accumu-

lated balances, and appears as a deduction from the fixed assignment for that year. From 1892-93 the assignment has been settled at 77.14, to which are added in the revised figures for that year 27 on account of special contributions from Imperial towards the cost of the Deccan Agriculturists' Relief Act Commission and of certain statistical establishments and 17 for the survey of the River Indus, less 9 deducted on account of interest on value of materials supplied by the Government of India for the Hyderabad-Umarkot Railway. Contributions of 7 for statistical establishments and 21 for the survey of the River Indus, less 10 deducted for interest as above, have been included in the same way under this item in the Budget for 1893-94.

18. The expenditure under this head represents the cost of District Administration, including the collection of the Imperial as well as the Provincial share of the land revenue, under the following heads :—

- (a) Charges of District Administration (Land Revenue Department).
- (b) Survey and Settlement.
- (c) Land Records and Agriculture.
- (d) Allowances to District and Village officers (excluding Village Police, charges for which appear under 20, Police).

The last item, which is shown separately in the table above, paragraph 17, includes the adjustment spoken of in that paragraph as made in part by debit under this head against the sum credited as Alienations.

The charges under (a) and (c), including Supplies and Services and Contingencies, will, when the Land Record Establishment has been fully introduced, be practically fixed, and will vary chiefly according to the number of officers on leave or appointments vacant, except when changes are necessitated by the growth of work or other considerations affecting the efficiency of the service.

The Survey and Settlement Department is being gradually reduced as its work draws to a close, while, on the other hand, the Department of Land Records and Agriculture is being developed as the ground is prepared for it. The expenditure shown for 1893-94 includes provision for the introduction of the Circle Inspectors' establishment into a part of the Northern Division and for the conversion of two Collectorates and a Deputy Commissionership in Sind into three Collectorates—a measure necessitated by the expansion of cultivation and revenue and other administrative considerations.

### III—Salt,

19. This is a head of receipt, consisting of the 3 minor items of Warehouse-rent, Fines and Forfeitures and Miscellaneous Duty realizations, all other important sub-heads, as well as all expenditure, being Imperial. The figures are as under ;—

	ACTUALS.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Rents of ware-						
houses ...	1	...	...	...	...	...
Fines and for-						
feitures ...	1	1	3	1	3	2
Miscellaneous ...	48	45	54	47	54	55
Total ...	50	46	57	48	57	57

The last item only is of any importance. It is made up chiefly of establishment charges paid by licensees of salt works, contributions from Port Funds towards coast guard establishments and storage charges.

#### IV—Stamps—6.

20. Under this head Provincial shares with Imperial both receipts and expenditure in the proportion of  $\frac{3}{4}$  to  $\frac{1}{4}$ . The Provincial figures are :—

	ACTUALS.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	39,20	40,12	40,86	40,69	43,13	42,38
Expenditure ...	1,60	1,50	1,66	1,74	1,78	1,84

The increase in receipts is chiefly in the sales of court-fee stamps, which are steadily mounting. Under expenditure the charges for discount and commission grow with the sales. The marked increase in the estimates for 1892-93 and 1893-94 is due, however, to the introduction, under the orders of the Government of India, of a system of adjusting the cost of stamped paper at the current official rate of exchange instead of at 2s. the rupee.

#### V—Excise—7.

21. The division of revenue and expenditure between Provincial and Imperial is the converse of that under the last head. The Provincial figures are :—

	ACTUALS.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	24,78	24,98	25,64	25,38	25,75	25,50
Expenditure ...	84	86	87	93	84	89

The receipts comprise License and other fees on Foreign liquor, Country liquor, Toddy, Opium, and Fermented liquor, Pass-fee duty on, and gains on sale proceeds of, opium consumed in the Presidency, and Fines, confiscations, &c. The pass-fee on opium exported to China, it will be understood, is credited to II.—Opium, and is entirely Imperial. When the budget for 1892-93 was prepared, it was anticipated that the abolition of the minimum guaranteed vend system and other changes and the necessity for heavy remissions in the Khândesh, Kanara, Bija-

pur and Dhárwár districts would lead to a decline in most of the items of receipt under this head. This expectation has not so far been realized, except in the case of Opium, partly because some of the contracts given under the old arrangement had not expired and partly owing to unexpectedly large receipts from still-head duty and license fees on liquor and Toddy. It is not expected, however, that the progressive increase noticeable up to 1891-92 will be maintained and in the budget for 1893-94 allowance is made for some decline.

Under expenditure, there is a slight tendency to increase, as preventive arrangements are improved and the still-head duty system extended.

#### VII—Customs.

22. This resembles III—Salt in being an item of receipt only, and comprises only the minor heads of Warehouse and Wharf Rents and Miscellaneous (the latter including fees for boat licenses, for transshipment, and for duplicates and amendments of Customs documents, and Confiscations and penalties), all the important items of receipts, including customs duty, and all expenditure being Imperial. The figures are as under :—

	Actuals.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Warehouse and Wharf rents.	3	2	2	2	2	2
Miscellaneous ...	49	42	38	43	40	40
Total ...	52	44	40	45	42	42

#### VIII—Assessed Taxes—10.

23. This is an item of both revenue and expenditure, the Provincial share being in each case one-half, except in receipts from income-tax on surplus profits of Guaranteed Railway Companies, which are wholly Imperial. The figures are given below :—

	Actuals.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue—						
Salaries and Pensions ...	3,45	3,40	3,51	3,49	3,54	3,54
Profits of Companies ...	1,41	1,43	1,39	1,42	1,75	1,75
Interest on Securities ...	96	98	97	1,03	1,01	98
Other Sources of income ...	10,75	10,84	11,15	10,80	11,32	11,54
Other item ...	1	1	1	1	1	1
Total ...	16,58	16,66	17,03	16,75	17,63	17,82
Expenditure ...	26	27	26	25	26	26

On the revenue side there is a general tendency to expansion which is most marked under the sub-heads Profits of Companies and Other Sources of Income, and which has been allowed for in the estimates for 1893-94. It will be noticed that under the sub-

head Interest on Securities both in the revised estimate for 1892-93 and the budget estimate for 1893-94 the receipts are taken at a lower figure than in the budget figures for 1892-93. This is on account of the large decrease in the quantity of Government Paper held in Bombay and of the conversion of the 4½ per cent. loans into 4 per cent. paper.

The estimates for expenditure follow generally the sanctioned scales of establishment and percentage remuneration for collection.

*IX—Forest—11.*

24. Under this head also both revenue and expenditure are equally shared between Provincial and Imperial. The figures are as under :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	15,69	16,44	16,42	17,58	16,75	17,55
Expenditure ...	8,83	9,28	9,64	11,20	9,75	11,26

The revenue is derived chiefly from Timber and other Forest produce and from Miscellaneous items, and it is expected that the effects of the recent scarcity will have disappeared in 1893-94 and that the receipts will improve accordingly. On the expenditure side, extended operations will increase the charges, and extra provision has been made for the full cost of the re-organization of the superior staff.

*X—Registration—12.*

25. The revenue and expenditure are equally shared as under Forest. The figures are given below :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	2,47	2,49	2,69	2,58	2,90	2,85
Expenditure ...	1,45	1,46	1,50	1,37	1,40	1,41

As has been noticed above (para. 9), the revenue is an expanding one. Under expenditure there is an apparent reduction since 1891-92, which is due to the change noticed in para. 1 above, by which charges on account of the offices of the Inspector General of Jails, Registration and Stamps have been transferred to the head 18, General Administration. Apart from this the cost of the Department has naturally a slight tendency to increase in proportion to the demands on it.

*XII—Interest—13.*

26. For Provincial purposes the expenditure under this head consists of Interest paid to the Government of India on the Provincial Advance and Loan Account, that is, on the sums from time to time placed at the

disposal of the Local Government for making takávi advances and loans under the Land Improvement Encumbered Estates, Tálukdárs, and Local Authorities Loans Acts and other special Acts, and the receipts of the interest paid by the recipients of such loans and on Government Securities held by the Local Government. The figures are :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue...	2.07	2.21	2.32	2.63	2.65	2.62
Expenditure ...	1.35	1.51	1.79	1.99	2.05	2.20

It should be explained that although receipts and expenditure on account of interest are included in the terms of the Provincial contract, the Provincial advance and loan account itself is not. The amounts placed at the disposal of the Local Government for loans and advances are in addition to the contract assignment and are fixed yearly on a consideration of the available resources of the Government of India and of the demands presented, and the amount which can be advanced by the Local Government in any year is limited to the sums allotted for the purpose, plus any sums received during that year in repayment of previous advances. The interest payable to the Government of India is at the rate of 4 per cent. That charged by the Local Government varies, but is usually fixed at  $4\frac{1}{2}$  per cent. to cover risk of bad debts, for which the Local Government is responsible. The system is growing in popularity and usefulness, particularly in its application to takávi advances. The cultivators have learned to appreciate the advantages of borrowing money at low rates, and in the scarcity of 1891-92 and the succeeding season of 1892-93, the Government of India placed large extra sums at the disposal of this Government for distribution. This provided labour and obviated the necessity of opening extensive relief works. The financial result has been a large increase in both receipts and charges. The former, however, do not increase at once in the same proportion as the latter. The interest due to the Government of India is calculated every year on the mean balance of the Loan Account, but none is recovered from agriculturists until within six months of the time when the loan works are expected to yield a return.

#### *Post Office—15.*

27. Under this head Provincial Revenues are chargeable with the cost of the District Post, which is maintained chiefly for administrative purposes in localities to which the Imperial Post has not yet been extended, and with a subsidy paid for the conveyance of mails by sea to the Konkan Coast. A contribution paid by the Portuguese Government towards this subsidy which formerly passed through the Provincial accounts is now recovered by the Im-

perial Post Office, so that the head is one of expenditure only. The figures are as shown below :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
District Post Establishments ...	91	92	92	91	91	91
Subsidies... ..	16	16	15	16	15	15
Total ...	1,07	1,08	1,07	1,07	1,06	1,06

*General Administration—18.*

28. This also is a head of expenditure only and is almost entirely Provincial, the exceptions being the Account and Currency Departments and Allowances to Presidency Banks, which, allowing for a small account establishment maintained at the cost of Provincial Revenues for audit of Local and Municipal Accounts, are Imperial charges. It includes charges on account of the salary and establishment of His Excellency the Governor, the Members of Council, the Commissioners, the Inspector-General of Jails, Registration and Stamps, the Secretariat Offices, and Local Fund Establishments in Collectors' and Accountant General's Offices. The ordinary expenditure is subject to slight variation only; in 1891-92 there were some special items and the increase in 1892-93 and 1893-94 is due chiefly to transfers from other heads on account of the Inspector-General of Jails, Registration and Stamps as noticed above (para. 1). The figures for the latter year also include an increase of 10 on account of urgently needed additions to Secretariat establishments. The figures are as given below :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Expenditure ...	13,16	13,18	13,62	13,80	13,79	13,94

*XVI A—Law and Justice, Courts of Law—19 A.*

29. This is a wholly Provincial head, including under receipts the realizations from escheated property, court-fees paid in cash, sundry miscellaneous fees, and general fees, fines and forfeitures, the last item alone being of any importance. Under expenditure appears the whole cost of the judicial system of the Presidency, from the High Court downwards. The figures are given below :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ... ..	4,12	4,00	4,07	4,04	4,10	4,07
Expenditure ...	43,07	44,15	43,95	44,69	43,74	44,64



Receipts are estimated on the average of actuals. The variations in the expenditure depend chiefly on the number and position of the officers on leave or on duty. The estimates for 1893-94 include provision for the cost of arrangements made for clearing off arrears of Judicial work in the Mofussil.

*XVI B—Law and Justice, Jails—19 B.*

30. This is also wholly Provincial. The figures are given below :—

	Actuals.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	1,85	2,20	2,19	2,19	2,00	1,98
Expenditure ...	6,39	6,25	6,36	6,58	6,40	6,85

The receipts consist chiefly of payments or credits from other Departments for convict labour and the sale-proceeds of jail manufactures. There will be a reduction under the first head this year in consequence of the completion of the Hubli water works on which the Deccan Gang has been employed. Under expenditure the cost of superintendence has been nominally reduced by the transfer of the charges on account of the Inspector General of Jails, Registration and Stamps, part of which was formerly debited to this head, to 18, General Administration, as noticed above, para. 27. On the other hand, provision has been made for an increase in the pay of the warders generally, and in the Nara Jail establishment, for sundry renewals of dead stock and for the working of a prison van for Yerrowda. Provision to the amount of 8 made last year for a scribbler, a machine used for tearing up old clothing and reducing it to the condition of short staple wool, which was ordered but did not arrive in time, has also been renewed.

*XVII—Police—20.*

31. This is another head now wholly Provincial. Up to the introduction of the new contract from 1892-93 Railway Police charges were Imperial. The figures are as under :

	Actuals.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	3,42	3,96	3,90	3,70	4,90	3,95
Expenditure—						
Cash ...	45,35	46,58	48,42	50,89	47,08	50,27
Alienations ...	5,11	4,81	4,38	4,87	4,87	4,87
Total ..	50,46	51,39	53,25	55,75	51,90	55,14

The receipts consist chiefly of recoveries from public bodies or individuals for Police entertained wholly or in part at their charges, and sundry miscellaneous items. The increase in the revised estimate for the last year has already been explained above, para. 9. Some increase in the receipts on

account of Excise Police and Police supplied to private companies and persons is expected in 1893-94. The contribution paid by the Bombay Municipality on account of the cost of the City Police does not appear as a receipt, being taken in reduction of the charges under that head.

On the expenditure side, the re-organization of the District and City Police has for a considerable time past occupied the attention of Government. The total estimated extra cost is 4.23 for the District Police (including Sind) and 1.01 for the City. It is hoped that both schemes will be sanctioned early in the year, and provision has accordingly been made in the budget for 1893-94.

#### XVIII—Marine—21.

32. A wholly Provincial head. The figures are as under :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	64	64	69	66	69	70
Expenditure ...	51	38	43	41	41	42

The fees received at the different Shipping Offices make up the greater part of the revenue and show a general tendency to increase, which has been allowed for in the budget. The expenditure is made up of a contract allowance of Rs. 16,000 for the maintenance of a Government steamer on the Indus, and charges for Pilotage and other establishments. The variations are insignificant.

#### XIX—Education—22.

33. Another wholly Provincial head. The figures are given below :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	2,85	2,70	2,80	2,66	2,76	2,83
Expenditure ...	15,63	16,51	16,36	17,78	16,35	17,41

The receipts are made up almost entirely of school and college fees, plus a small sum on account of municipal contributions towards the cost of schools and sundry miscellaneous items, chiefly sale proceeds of books and workshop receipts. No important variations are expected.

The expenditure includes the whole cost of the teaching and inspecting staff for the various Government Colleges and Schools and Grants-in-aid to private institutions, but not Grants-in-aid to Local Fund schools, which appear under Contributions, nor charges on account of construction or maintenance of educational buildings, which are debited to Civil Works. In the estimates, however, provision is made to some extent for items of this description which

are transferred to their proper account heads when the expenditure is actually incurred, and hence it happens that the actuals of expenditure under this head commonly appear to be less than the budget estimate, though the whole amount or more may have actually been disbursed. The estimated expenditure of 17,41 shown above is in addition to 5,15 and 56, for which provision has been made under Contributions and Civil Works respectively, and of the sums noted in the margin, which are provided under various other heads for purposes more or less directly connected with education, so that the total estimated expenditure on educational objects for 1893-94 will roughly amount to 25,32.

*XX—Medical—24.*

34. This head is also wholly Provincial. The figures are :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	1,00	1,13	1,13	1,12	1,21	1,17
Expenditure ...	12,18	12,85	13,28	14,61	13,92	15,16

The receipts consist chiefly of Medical College fees, Hospital and Lunatic Asylum receipts, and Contributions.

The expenditure includes all charges for Civil Medical establishments in Bombay and the Mofussil, excepting Aden and Káthiáwár, where they are treated as Political, and on account of Government and Grant-in-aid Hospitals and Dispensaries, Lunatic Asylums, Medical Schools and Colleges, Vaccination and Sanitation. The increase noticeable in the estimates for 1893-94 occurs principally under the minor heads of Hospitals and Dispensaries, and Sanitation and Vaccination. So far as the latter is concerned, the increase is mainly a matter of account adjustment arising out of an arrangement by which Local Fund vaccinators have been brought on to the Provincial establishments and are paid from Provincial Revenues, the amount paid from Local Funds being treated as a contribution and classed under that head. Under Hospitals and Dispensaries, there is a special item for clothing for patients, and funds have been provided for laying out a garden for the European General Hospital, Bombay.

*Political—25.*

35. A head of expenditure only. The figures are :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Expenditure ..	3,73	3,53	3,25	3,62	3,42	3,53

Provincial charges relate to the Káthiáwár, Mahi Kántha, Pálanpur, Cutch, Southern Marátha Country, and a few minor Agencies. Aden and Baroda

*Under Army  
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are transferred to their proper account heads when the expenditure is actually incurred, and hence it happens that the actuals of expenditure under this head commonly appear to be less than the budget estimate, though the whole amount or more may have actually been disbursed. The estimated expenditure of 17,41 shown above is in addition to 5,15 and 56 for which provision has been made under Contributions and Civil Works respectively, and of the sums noted in the margin, which are provided under various other heads for purposes more or less directly connected with education, so that the total estimated expenditure on educational objects for 1893-94 will roughly amount to 25,32.

*XX—Medical—24.*

34. This head is also wholly Provincial. The figures are :—

	Actuals.			1893-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	1,00	1,13	1,13	1,12	1,21	1,17
Expenditure ...	12,18	12,85	13,28	14,61	13,92	15,16

The receipts consist chiefly of Medical College fees, Hospital and Lunatic Asylum receipts, and Contributions.

The expenditure includes all charges for Civil Medical establishments in Bombay and the Mofussil, excepting Aden and Káthiáwar, where they are treated as Political, and on account of Government and Grant-in-aid Hospitals and Dispensaries, Lunatic Asylums, Medical Schools and Colleges, Vaccination and Sanitation. The increase noticeable in the estimates for 1893-94 occurs principally under the minor heads of Hospitals and Dispensaries, and Sanitation and Vaccination. So far as the latter is concerned, the increase is mainly a matter of account adjustment arising out of an arrangement by which Local Fund vaccinators have been brought on to the Provincial establishments and are paid from Provincial Revenues, the amount paid from Local Funds being treated as a contribution and classed under that head. Under Hospitals and Dispensaries, there is a special item for clothing for patients, and funds have been provided for laying out a garden for the European General Hospital, Bombay.

*Political—25.*

35. A head of expenditure only. The figures are :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Expenditure ...	3,73	3,53	3,25	3,62	3,42	3,53

Provincial charges relate to the Káthiáwar, Mahi Kántha, Pálanpur, Cutch, Southern Marátha Country, and a few minor Agencies. Aden and Baroda

<i>Under Assignments and Compensations—8.</i>	
Allowances to Dakshina Fells, &c. ...	19 19
<i>Under Medical—24.</i>	
Grant Medical College ...	1,40
Medical Schools at Hyderabad, Poona and Ahmedabad ...	40
	1,80
<i>Under Scientific and other Minor Departments—26.</i>	
Veterinary College, Bombay ...	17
Do. Class, Poona ...	4
	21
Total ...	2,20

charges are Imperial. In 1891-92 the expenditure was below the normal standard; minor savings occurred under "Political Agents" and the allotments for Darbār Presents and Miscellaneous were not fully utilized. In 1892-93 expenditure under the two last named heads and on account of payments to officers of other Provinces fell below the estimate and stationery purchased in the country was debited under the head "Stationery and Printing." The Budget figures for 1893-94 show a return to the normal on account of Darbār Presents and Miscellaneous, and there is a small item for the demarcation of boundaries between Native States.

*XXI—Scientific and other Minor Departments—26.*

36. Under this head the receipts are entirely Provincial. Expenditure is also entirely Provincial except items on account of the Bacteriological Laboratory, establishments on the cadre of the Civil Veterinary Department, Census operations, and Preservation and translation of Ancient Manuscripts, which are Imperial. The Provincial figures are:—

	Actuals.			1893-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Receipts ...	46	38	33	29	26	22
Expenditure ...	1,54	1,66	1,87	2,25	1,62	2,12

Examination fees are the chief item of revenue. The decrease in the estimated receipts is chiefly due to the transfer of the Empress Botanical Gardens at Poona to the Agri-Horticultural Society of Western India.

The charges comprise a number of items of which the most important are Provincial Museums, Public Observatories, Experimental cultivation, Veterinary charges, Inspector of Factories, and Registration of Railway traffic. The increase in the budget provision as compared with previous actuals occurs mainly under the following heads:—

(a) Inspector of Factories: it is expected that a revised scheme for remunerating Medical Joint Inspectors will be in force for the greater part of the year;

(b) Donations to Scientific Societies: a contribution of 17 is to be made to the Reay Industrial Museum in Poona;

(c) Veterinary charges: 13 have been entered for contributions to Veterinary Hospitals and Dispensaries.

*XXII—Superannuation—29.*

37. The sub-heads specified in Appendix A under this main head are Provincial. The receipts consist of contributions from officers lent to Municipal or Local Funds or in Foreign Service.

charges are Imperial. In 1891-92 the expenditure was below the normal standard; minor savings occurred under "Political Agents" and the allotments for Darbár Presents and Miscellaneous were not fully utilized. In 1892-93 expenditure under the two last named heads and on account of payments to officers of other Provinces fell below the estimate and stationery purchased in the country was debited under the head "Stationery and Printing." The Budget figures for 1893-94 show a return to the normal on account of Darbár Presents and Miscellaneous, and there is a small item for the demarcation of boundaries between Native States.

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	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Receipts ... ..	46	38	33	29	26	22
Expenditure ...	1,54	1,66	1,57	2,25	1,62	2,12

Examination fees are the chief item of revenue. The decrease in the estimated receipts is chiefly due to the transfer of the Empress Botanical Gardens at Poona to the Agri-Horticultural Society of Western India.

The charges comprise a number of items of which the most important are Provincial Museums, Public Observatories, Experimental cultivation, Veterinary charges, Inspector of Factories, and Registration of Railway traffic. The increase in the budget provision as compared with previous actuals occurs mainly under the following heads:—

- (a) Inspector of Factories: it is expected that a revised scheme for remunerating Medical Joint Inspectors will be in force for the greater part of the year;
- (b) Donations to Scientific Societies: a contribution of 17 is to be made to the Reay Industrial Museum in Poona;
- (c) Veterinary charges: 13 have been entered for contributions to Veterinary Hospitals and Dispensaries.

*XVII—Superannuation—29.*

37. The sub-heads specified in Appendix A under this main head are Provincial. The receipts consist of contributions from officers lent to Municipal or Local Funds or in Foreign Service.

The charges are almost entirely on account of superannuation and retired allowances paid in this country to members of the Bombay Services. It will be some time before these reach their maximum even on the basis of existing establishments, and they must continue to grow with the administrative development of the country. The figures are :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	2,08	2,55	2,36	2,37	2,24	2,24
Expenditure ...	14,66	15,29	15,53	15,82	16,07	16,41

### XXIII—Stationery and Printing—30.

38. This is another head which is mainly Provincial, but under which a few sub-heads are excepted as shown in Appendix A. The Provincial receipts consist mainly of sale proceeds of Gazettes and other publications, and payments for certain printing work done for Local Funds, Municipalities, &c.

The expenditure represents the cost of the Stationery Office and the Government Presses and of Stationery issued from the Central Stores and purchased locally. The last item, which amounts to about 1,19, appears under this head for the first time in the Revised for 1892-93. Previously such purchases had been debited to departmental heads, and it is to this change in the method of account that the increase for 1892-93 is mainly due. The further increase in the current year is attributable chiefly to additions to the establishment of the Government Central Press and to extra expenditure anticipated under the minor head "Stationery supplied from Central Stores" on account of rubber stamps and copying machines. The budget figures for stationery purchased in the country were based on the revised, which have since been reduced. The figures are as under :—

	Actuals.			1892-93.		1893-94.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
Revenue ...	55	65	66	63	76	65
Expenditure ...	5,98	5,85	5,84	6,30	6,80	7,57

### XXV—Miscellaneous—32.

39. This is also a mixed head, certain sub-heads being Provincial and others Imperial. Among the Provincial receipts the most important items are Unclaimed Deposits, Miscellaneous fees fines and forfeitures, and Miscellaneous. Both receipts and charges are of a fluctuating character. The latter include a great variety of items, among which by far the largest is on account of Rents, Rates and Taxes. This item has been raised from about 50 to 1,06 by

Mr. Stevens' award in regard to Government properties in Bombay. The actuals for 1891-92 included heavy payments in arrears under this award. The last year's figures include 45 on account of the cost of the Deccan Agriculturists' Relief Act Commission. The figures are as under :—

	Actuals.			1892-93.		1893-94.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	63	1,06	52	60	78	67
Expenditure ...	1,61	1,66	3,61	2,56	2,60	2,26

*Construction of Railways—37.*

40. This is an expenditure head opened for the first time in 1891-92 in connection with the construction of the Hyderabad-Umarkot Railway referred to above, para. 2. The figures are given below :—

	Actuals.	1892-93.		1893-94.
	1891-92.	Budget.	Revised.	Budget.
Expenditure ...	11,72	2,30	4,83	63

At present it is not intended to carry this line beyond Shadipalli, where it now ends. But it is very desirable to ballast it throughout as funds become available. For this purpose, at a rough estimate, about Rs. 1,50,000 will be required—out of which Rs. 50,000 have been provided for expenditure in 1893-94.

*XXVI—State Railways—38.*

41. This head also relates solely to the Hyderabad-Umarkot Railway, and represents the receipts and expenditure on the working of the line. The figures are :—

	1892-93.		1893-94.
	Budget.	Revised.	Budget.
Revenue ...	1,07	65	1,40
Expenditure ...	77	58	1,00

The difference between the budget and revised figures for the last year has already been explained. The line is worked by the North-West Railway for 45 per cent. of the receipts, exclusive of maintenance charges which are separate, and the estimate of expenditure is framed accordingly.

*XXV—Irrigation—43.*

42. This is mainly an Imperial head, the Provincial share being limited to Revenue and Expenditure on account of the Gokak Storage Works, as shown below :—



	Actuals.			1892-93.		1893-04.
	1889-90.	1890-91.	1891-92.	Budget.	Revised.	Budget.
	Revenue ... ..	10	10	17	13	21
Expenditure ... ..	2,56	2,60	38	1,05	20	1,25

The revenue is derived from charges for the water supplied from the works. The expenditure for 1893-94 includes, besides items chargeable to Revenue on account of maintenance, establishment, &c., renewed provision for certain items of land compensation debitable to Capital which could not be settled last year in consequence of delay in the disposal of references to the District Court.

### XXXII—Civil Works—45.

43. This head, so far as Provincial Revenues are concerned, includes receipts and expenditure by the Public Works Department and by Civil Officers in connection with Provincial works of public improvement and communications, and with buildings for Provincial Departments. The figures are :—

#### *By the P. W. Department.*

	ACTUALS.			1892-93.		BUDGET.
	1890-90.	1890-91.	1891-92.	Budget.	Revised.	1893-94.
	Revenue ... ..	7,01	6,12	7,46	7,67	7,85
Expenditure ... ..	36,34	40,17	39,69	32,14	34,42	36,40

#### *By Civil Officers.*

	ACTUALS.			1892-93.		BUDGET.
	1890-90.	1890-91.	1891-92.	Budget.	Revised.	1893-94.
	Revenue ... ..	6	3	3	3	3
Expenditure ... ..	18	11	27	11	40	0

The revenue is chiefly derived from tolls on roads, rents, and sales of buildings, produce of trees, and sales of old material, tools and plant. The expenditure by the Public Works Department is divided into Original works, Repairs, Establishment, and Tools and plant, the two first heads being again sub-divided into Civil Buildings, Communications and Miscellaneous Public Improvements. In preparing the budget, provision has necessarily first to be made for original works in progress and for recurring charges, including repairs and establishment. Any available funds remaining after providing for the above are then allotted for new works so far as they go, in order of urgency. It is needless to say that the demands are always largely in excess of the funds available.

The distribution of the Public Works allotment for 1893-94 is as under :—

Original—				
Civil Buildings	...	...	10,72	
Communications	...	...	2,37	
Miscellaneous Public Improve- ments	...	...	53	
			<u>13,62</u>	
Repairs—				
Civil Buildings	...	...	3,90	
Communications	...	...	8,56	
Miscellaneous Public Improve- ments	...	...	30	
			<u>12,76</u>	
Establishment	...	...	9,48	
Tools and Plant	...	...	54	
			<u>10,02</u>	
Grand Total	...	...	<u>36,40</u>	

Among the original works for which provision has been made, in whole or part, the most important are the buildings required for the new Collectorate at Lárkhána, referred to in para. 18 above, the Central Jails at Ahmedabad and Hyderabad, record rooms required in connection with the custody of the survey records, after the abolition of the Department, at the head-quarters of the Collectorates to which they relate, lines for the City Police, Poona, and several new kacheris and Subordinate Judges' Courts.

The expenditure by Civil Officers is limited to minor works and petty repairs.

#### Contributions.

44. The figures are :—

	1889-90.	1890-91.	1891-92.	1892-93, Budget.	1892-93, Revised.	1893-94, Budget.
Revenue ...	1,28	1,78	2,97	1,50	1,53	1,81
Expenditure ...	5,55	6,89	9,11	7,77	7,94	8,75

The receipts consist almost entirely of contributions made by Local Boards for the cost of establishments maintained under Bombay Act I of 1884 in the Revenue and Account Offices for Local Fund purposes and for the cost of Vaccination establishments.

The principal items of expenditure for which provision is made are—

Grants to schools in the Mofussil	...	5,15	✓
Grants for water-supply	...	1,55	✓
Grants for village sanitation	...	25	✓

The figures for grants to Mofussil schools since the year 1889-90 are 3,19, 4,14, 4,08, 4,39, and for 1893-94, 5,09. It is the desire of Government to give as much assistance as their resources will allow. The provision for water-supply is divided equally between the three divisions in the Presidency proper and grants will be made against it as applica-

tions are received conditionally on the Local Boards spending double the amount on the same object. The provision for village sanitation is made in order that funds may be forthcoming if required in aid of any Sanitary Boards and Committees which it may be found practicable and advisable to constitute under the Village Sanitation Act.

## SECTION IV.

*Incorporated Local Funds.*

45. Three Incorporated Local Funds are under the control of Government, *viz.*, the Steam Boiler Inspection Fund, the Government Central Book Depot Fund, and the Sind Village Officers' Cess Fund. The figures for these are :—

	1888-89.	1890-91.	1891-92.	1892-93. Budget.	1893-93. Revised.	1893-94. Budget.
Steam Boiler Inspec- tion Fund.	Revenue ...	35	38	42	41	48
	Expenditure...	20	23	23	20	27
Government Central Book Depot Fund.	Revenue ...	1,36	1,44	1,56	1,51	1,46
	Expenditure...	1,50	1,09	1,54	1,40	1,61
Sind Village Officers' Cess Fund.	Revenue ...	3,05	3,78	3,73	4,30	3,80
	Expenditure...	2,35	2,48	2,70	2,79	3,70

The Sind Village Officers' Cess Fund is raised under Bombay Act IV of 1881 and the increase in expenditure is in pursuance of a scheme now under the consideration of Government for the expenditure of the large accumulated balances on a very necessary increase in the strength and improvement in the pay and position of the village officers and their instruction in survey and agricultural matters.

The only other Incorporated Local Funds are those administered by the District and Taluka Local Boards constituted under Act I of 1884. An administration report giving full details of their working, revenue, and expenditure is published annually, and as their financial operations are not controlled directly by this Government, and do not fall within the scope of Provincial finance, comment is not necessary. The figures of revenue and expenditure (including the cost of collection of the revenues assigned under Section 44 of Act I of 1884) will be found in Appendix C.

## SECTION V.

*Concluding Remarks.*

46. The preparation of the Provincial Budget, it will be observed, does not, as a rule, present any special features of difficulty. The income with which it deals, if more limited in amount than could be wished, having regard to the constant development of new demands, is unaffected by exchange and other difficulties which embarrass Imperial Finance, at any rate so long as those difficulties do not become so serious as to necessitate a reduction of the Provincial assignment. Its elasticity has so far resulted in considerable benefit to the Presidency under successive contracts, while admitting of more than

one substantial contribution to the Imperial Exchequer out of accumulated balances, and in spite of successive readjustments of the contract terms on the basis of a bare initial equilibrium between revenue and expenditure. For the last four years the expenditure has been greater than the revenue. At the end of 1889-90 the Provincial balance had risen to the large sum of 58,41, and since then it has been the policy of Government, as already noticed, to utilize that balance in providing for urgent public needs, Care is taken however that the necessary recurrent expenditure is kept within the normal yearly income. The estimates for the year to which this statement relates contemplate the reduction of the closing balance to within two and three quarter lakhs of the sanctioned minimum, and so far as it may be found possible to work up to them the special expenditure of the last four years will then come to an end. There is however no reason to anticipate on that account any difficulty in adjusting the normal expenditure to the normal income from 1894-95 onwards.

A. C. TREVOR.

APPENDIX A.

REVENUE.			EXPENDITURE.		
1	2	3	4	5	6
Major head.	Minor heads.	Provincial share.	Major head.	Minor heads.	Provincial share.
I.—Land Revenue	"Assessment of alienated lands less quit-rent." All other minor heads	The whole. One-fourth.	1.—Refunds	The heads of which the corresponding receipts are wholly or partially Provincial.	The same share as in the case of the corresponding heads of receipt.
II.—Salt	"Rents of Warehouses" "Fines and forfeitures" "Miscellaneous"	The whole.	2.—Assignments and Compensations.	"Excise Compensations" All other heads except— "Goa Subsidy," "Salt Fane in Portuguese India," and "Customs Tariff Compensations."	One-fourth. The whole.
IV.—Stamps	All	Three-fourths.	3.—Land Revenue	All	The whole.
V.—Excise	All	One-fourth.	6.—Stamps	All	Three-fourths.
VII.—Customs	"Warehouse and Wharf rents" "Miscellaneous"	The whole. Items classified as Provincial in 1891-92.	7.—Excise	All	One-fourth.
VIII.—Assessed Taxes	All, except "Tax on surplus profits of Railway Companies"	One-half.	10.—Assessed Taxes	All	One-half.
IX.—Forest	All	One-half.	11.—Forest	All	One-half.
X.—Registration	All	One-half.	12.—Registration	All	One-half.
XII.—Interest	"Interest on loans to Municipalities and other public bodies (excluding Presidency Corporations)." "Interest on loans to landholders and other notabilities." "Interest on advances to cultivators." "Interest on advances under Special Laws." "Interest on Government Securities."	The whole.	13.—Interest	"Interest on Provincial Advance and Loan Accounts"	The whole.
XIII.—Post Office	"District Post Collections"	The whole.	15.—Post Office	"District Post Collections"— "Subsidies" "Refunds"	The whole.
XVIA.—Law and Justice—Courts of Law.	All	The whole.	18.—General Administration.	"Civil Offices of Account and Audit." All other minor heads, except— "Currency Department," "Reserve Treasury," and "Allowance to Presidency Banks."	"Local Fund Establishment." The whole.
XVIB.—Law and Justice—Jails.	All	The whole.	19A.—Law and Justice—Courts of Law.	All	The whole.
XVIB.—Law and Justice—Jails.	All	The whole.	19B.—Law and Justice—Jails.	All	The whole.
XVII.—Police	All	The whole.	20.—Police	All	The whole.
XVIII.—Marine	All	The whole.	21.—Marine	All	The whole.
XIX.—Education	All	The whole.	22.—Education	All	The whole.
XX.—Medical	All	The whole.	24.—Medical	All	The whole.
XXI.—Scientific and other Minor Departments.	All	The whole.	25.—Political	All, except— "Refugees and State Prisoners" and the heads under which are recorded the expenditure at— Aden, Baroda, the Persian Gulf, and Barbers, Bulhar and Zalla.	The whole.
XXII.—Receipts in aid of superannuation, retired and compassionate allowances.	"Contributions for pensions and gratuities." "Miscellaneous"	The whole.	26.—Scientific and other Minor Departments.	"Veterinary Charges"	The whole, except the charges for the Bacteriological Laboratory, Poona, and the salaries and allowances of officers on the cadre of the Civil Veterinary Department.
XXIII.—Stationery and Printing.	All	The whole, except receipts for the value of supplies from Central Stores to Railways and to the Berar Administration, Local Funds, Municipalities, and other Independent bodies.	28.—Scientific and other Minor Departments.	All other minor heads, except— "Census" and "Preservation and Translation of ancient manuscripts."	The whole.
XXV.—Miscellaneous	"Extraordinary items" "Fees for Government Audits." All other minor heads except— "Gain by Exchange," "Premiums on Bills," "Unclaimed Bills of Exchange," "Recovery of Insurance and other charges on English Stores," "Revenue of Barbers and Bulhar," and "Revenue of Zalla."	Items not in excess of Rs. 10,000. Items classified as Provincial in 1891-92. The whole.	29.—Superannuation Allowances and Pensions.	"Superannuation and Retired Allowances," "Covenanted Civil Service Pensions," "Compassionate Allowances," "Gratuities," "Refunds."	The whole.
XXVI.—State Railways	Hyderabad-Umarkot Railway	The whole.	30.—Stationery and Printing.	All, except "Stationery purchased for Central Stores. Extraordinary items"	The whole.
XXX.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works.	The whole.	32.—Miscellaneous	All other minor heads, except— "Charges for Remittance of Treasure," "Discount on Bills," and "Loss by Exchange."	Items not in excess of Rs. 10,000. The whole.
XXXII.—Civil Works	All	The whole.	33.—Famine Relief	"Famine Relief Charges"	The whole.
Contributions	Contributions from Local	The whole.	36.—State Railways—Working Expenses.	Hyderabad-Umarkot Railway	The whole.
			37.—Construction of Railways.	All	The whole, except in cases in which the outlay is specially incurred from Imperial Funds. But Provincial expenditure under these heads is permitted only under special orders of the Government of India in regard to each Railway.
			40.—Subsidized Companies.	"Land"	The whole.
			41.—Miscellaneous Railway Expenditure.	"Surveys"	The whole.
			43.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works.	The whole.
			45.—Civil Works	All, except Opium, Salt, Mint, Currency, Post Office, Telegraph, and Baroda Residency buildings and Works on South Coast.	The whole.
			Contributions	Contributions to Local	The whole.

NOTE.—In this Schedule the only heads considered are Imperial and Provincial heads; the Local Revenue and Expenditure are not affected by it. The Provincial share is calculated on the gross collection, including the portion due to Irrigation.

APPENDIX B.

Provincial Revenue and Expenditure by Major Heads for the years 1891-92, 1892-93 and 1893-94.

In Thousands of Rupees.

Number of Account Head.	Major Heads of Revenue.	Accounts, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.		
I	Land Revenue ...	Provincial share.	89,78	89,67	90,78	92,80	1	Refunds and Drawbacks ...	1,87	1,83	1,93	1,79	
		Alienated ...	89,98	90,29	90,88	91,16	2	Assignments and Compensations. { Cash ...	14,53	15,63	15,64	15,18	
		Fixed allotment and adjustments.	...	92,44	77,03	77,49	77,32	3	Land Revenue ... { Alienations ...	77,35	77,60	78,18	78,41
			...	...	...	...	...	6	Stamps ...	56,08	60,13	58,32	57,82
III	Salt ...	57	48	57	57	7	Excise ...	7,80	7,82	7,83	7,88		
IV	Stamps ...	40,86	40,89	43,13	42,38	8	Assessed Taxes ...	1,66	1,74	1,78	1,84		
V	Excise ...	25,64	25,33	25,75	25,50	10	Forest ...	87	93	84	89		
VII	Customs ...	40	45	42	42	11	Registration ...	26	25	26	26		
VIII	Assessed Taxes ...	17,03	16,75	17,69	17,82	12	Interest on ordinary debt ...	9,64	11,20	9,75	11,26		
IX	Forest ...	16,42	17,58	16,75	17,55	13	Post Office ...	1,50	1,37	1,40	1,41		
X	Registration ...	2,60	2,58	2,80	2,85	15	Telegraph ...	1,79	1,90	2,05	2,20		
XII	Interest ...	2,32	2,63	2,65	2,62	16	General Administration ...	1,07	1,07	1,06	1,06		
XIII	Post Office ...	1	2	.....	.....	18	Law and Justice—Courts of Law ...	4	4	.....	.....		
XIV	Telegraph ...	4	3	.....	.....	19A	Do. Jails ...	13,62	13,80	13,79	13,94		
XVIA	Law and Justice—Courts of Law ...	4,07	4,04	4,10	4,07	19B	Police ... { Cash ...	43,95	44,69	43,74	44,64		
XVIB	Do. Jails ...	2,19	2,19	2,00	1,98	20	Alienations ...	6,36	6,58	6,40	6,85		
XVII	Police ...	3,90	3,70	4,90	3,95	21	Marine ...	48,42	50,88	47,03	50,27		
XVIII	Marine ...	69	66	69	70	22	Education ...	4,83	4,87	4,87	4,87		
XIX	Education ...	2,80	2,86	2,78	2,83	24	Medical ...	43	41	41	42		
XX	Medical ...	1,13	1,12	1,21	1,17	25	Political ...	16,36	17,78	16,35	17,41		
XXI	Scientific and other Minor Departments.	33	29	26	22	26	Education ...	13,28	14,61	13,92	15,16		
XXII	Receipts in aid of superannuation, &c...	2,36	2,37	2,24	2,24	27	Medical ...	3,25	3,62	3,42	3,53		
XXIII	Stationery and Printing ...	68	68	76	65	28	Scientific and other Minor Departments.	1,87	2,25	1,62	2,12		
XXV	Miscellaneous ...	52	60	78	67	29	Superannuation Allowances and Pensions.	15,58	15,82	16,07	16,41		
XXVI	State Railways ...	.....	1,07	65	1,40	30	Stationery and Printing ...	5,84	6,30	6,80	7,57		
XXX	Irrigation ...	17	13	21	21	32	Miscellaneous ...	3,61	2,56	2,60	2,26		
XXXII	Civil Works ...	7,51	7,70	7,88	7,88	33	Famine Relief ...	2	1,00	3	5		
	Contributions from Local to Provincial.	2,97	1,50	1,58	1,81	37	Construction of Railways ...	11,72	2,30	4,33	63		
						38	State Railways (Working Expenses) ...	.....	77	58	1,00		
						41	Miscellaneous Railway Expenditure ...	-1	.....	.....	.....		
						43	Irrigation ...	38	1,05	20	4,25		
						45	Civil Works ...	39,82	32,25	34,82	36,49		
							Contributions from Provincial to Local.	9,11	7,77	7,94	8,75		
	Total ...	4,07,48	3,92,24	3,98,84	4,00,77		Total ...	4,12,80	4,10,91	4,03,98	4,13,62		
	Opening Balance ...	46,02	38,82	40,70	35,58		Closing Balance ...	40,70	20,15	35,58	22,73		
	Grand Total ...	4,53,50	4,31,06	4,39,54	4,36,35		Grand Total ...	4,53,50	4,31,06	4,39,54	4,36,35		

APPENDIX C.

Local Revenue and Expenditure by Major Heads for the years 1891-92, 1892-93 and 1893-94.

In Thousands of Rupees.

Number of Account Head.	Major Heads of Revenue.	Accounts, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1891-92.	Budget, 1892-93.	Revised, 1892-93.	Budget, 1893-94.
I	Land Revenue ... ..	1,61	1,75	1,56	1,61	1	Refunds and Drawbacks ... ..	5	8	15	8
VI	Provincial Rates ... ..	26,68	26,80	26,40	26,70	3	Land Revenue ... ..	2	1	3	3
XII	Interest ... ..	8	8	8	8	8	Provincial Rates ... ..	50	53	50	52
XVII	Police ... ..	2,91	2,79	3,10	3,12	14	Interest on other obligations ... ..	13	11	11	11
XIX	Education ... ..	1,65	1,56	1,68	1,57	18	General Administration ... ..	48	52	49	57
XX	Medical ... ..	4	...	4	4	20	Police ... ..	1,24	1,22	1,24	1,23
XXI	Scientific and other Minor Departments.	10	12	9	4	22	Education ... ..	13,93	15,18	14,44	15,13
XXV	Miscellaneous ... ..	1,10	86	26	29	24	Medical ... ..	1,65	1,75	1,70	1,37
XXXII	Civil Works ... ..	5,10	5,00	5,86	5,13	26	Scientific and other Minor Departments.	51	63	59	59
	Contributions ... ..	12,12	10,51	11,03	11,64	29	Superannuation Allowances and Pensions.	2	3	1	1
	Total ... ..	51,39	49,47	50,10	50,22	30	Stationery and Printing ... ..	14	7	5	8
	Debt, Deposits and Advances ... ..	37	...	...	...	32	Miscellaneous ... ..	59	70	75	76
	Opening Balance ... ..	28,68	27,03	29,47	26,15	45	Civil Works ... ..	13,44	15,65	14,39	14,75
	Grand Total ... ..	80,44	76,50	79,57	76,37		Do. in charge of Public Works Officers.	12,00	10,92	14,36	10,69
							Contributions ... ..	5,98	4,24	4,62	4,70
							Total ... ..	50,68	51,64	53,43	50,62
							Debt, Deposits and Advances ... ..	29	...	...	...
							Closing Balance ... ..	29,47	24,86	26,14	25,75
							Grand Total ... ..	80,44	76,50	79,57	76,37

# FINANCIAL STATEMENT OF THE GOVERNMENT OF BOMBAY FOR THE YEAR 1894-95.

## PART I.

### INTRODUCTORY.

It is unnecessary, perhaps, on the present occasion to repeat the description of the principles and gradual development of the Contract system on which Provincial Finance is based and the summary of the more important conditions of the current contract with which last year's Financial Statement was introduced. In other respects the form and arrangement then adopted will be preserved as far as possible, including the retention for facility of reference of such of the general explanations then given in the sections corresponding with Part II of the present statement as are needed to make them readily intelligible. But as the financial outlook has been considerably modified by the course of events since last year's statement was presented, it will be useful to prefix a brief outline of the existing position to the more detailed examination of the Budget figures in the Sections which follow. It will be remembered that except where the sign Rs. is prefixed the figures used represent thousands of rupees.

2. The year now current is the third of the present contract, which opened in 1892-93 with a balance of 40,70 and a fixed assignment adjusted under the Land Revenue head of 77,14, including which the Provincial Revenue for the year was estimated at 3,92,24. As was explained in last year's statement, the obligatory balance is 20,00, and it is not the policy of Government to keep more than is necessary locked up in balances so long as there are objects on which it can be spent to the financial or administrative advantage of the Presidency. In pursuance of that policy provision was made in the estimates for an expenditure of 4,10,91, the utilization of which in full would have reduced the balance to something approaching the minimum. The revenue, however, as explained more fully in Part II, Section I, ultimately worked out to some 14 lakhs more, including a large book adjustment of some 7 lakhs on account of Alienated Land Revenue, made after the original estimates were framed, and the expenditure, after allowing for corresponding debits, to about 2½ lakhs less, than the estimate; and the second year of the contract accordingly opened with a balance of 38,31 still in hand.

3. The original estimates for that year were—

Revenue	...	... 4,00,77
	and	...
Expenditure	...	... 4,13,62

exclusive of the book adjustment above referred to. but the revised figures, including the adjustment, again promise as shown below (Part II, Section II) to prove better than the estimate, and it is anticipated that in spite of a serious unforeseen demand on account of exchange compensation, which was



sanctioned after the Budget was prepared, and which in the case of Provincial establishments is a charge against Provincial Revenues, the year will end with a small surplus and the balance will work out to 38,51. This result, however, is due less to any special elasticity in the revenue or actual economy in the expenditure than to the facts that the greater part of the provision made in the original estimate for Police re-organization and the whole of those connected with the proposed organization of a new Collectorate in Sind have been struck out of the revised, and that a good many smaller public works, the commencement of which had been delayed pending sanction to plans and estimates, were altogether suspended towards the end of the year in view of anticipations of financial pressure, which there is too much reason to fear will be realized.

4. The approximate equilibrium between Revenue and Expenditure secured as above shown for 1893-94 is not likely to prove attainable during the year now current. The estimated receipts, as the Budget was originally framed, worked out to a total of about 4,13,00, including the book adjustment already referred to, and apart from disturbing elements, the estimates for expenditure, following pretty closely as usual the lines of the original estimate for the previous year, but including the book adjustment and such modifications and expansion as the growing needs of the administration ordinarily dictate, would have stood at about 4,20,00 and might have been accepted without anxiety and with every prospect that the normal growth of the revenue would have overtaken the expenditure before the surplus balance was exhausted. Unfortunately, however, two disturbing elements of very dominant importance have been introduced. On the one hand, Imperial exigencies have necessitated a demand on Provincial Revenues for a contribution which has been fixed, with reference to the somewhat slender resources available, at 5,60, and has been recovered by a corresponding reduction in the amount of the fixed assignment for the year. On the other, the orders as to exchange compensation already referred to have not only imposed on Provincial Finance a direct burden heavy in proportion to the large share of the total cost of the establishments employed in the Presidency which is borne by Provincial Revenues, but have robbed it of that immunity from the embarrassment arising from a falling exchange to which congratulatory reference was made last year. Under orders from the Government of India the rate has been taken for the purposes of the estimates at 1s. 2d. per rupee, and at that rate it has been necessary to increase the ordinary provisions for establishment charges as compared with last year's budget by sums aggregating some 6,20.

5. It is only by considerable curtailment of proposed expenditure, more especially under Public Works, that it has been possible under these circumstances to avoid trenching at once on the minimum balance. Though savings may be anticipated, they will

be considerably smaller than heretofore, mainly for the reason that of the two large schemes above referred to, the provisions made for which have, for some years past, been shown as savings, that for the re-organization of the Police was sanctioned towards the end of last year, and is now being brought into operation as rapidly as financial considerations will permit, and that relating to the new Collectorate in Sind has been postponed indefinitely under the orders of the Secretary of State, and the provisions for it have not been repeated. On the other hand it is to be feared that if exchange does not recover, the provision for exchange compensation will prove insufficient and the extra charges on that account will go to reduce still further the prospect of any actual saving. No premature recourse will be had to reductions which might retard progress or cause hardship. But unless the financial position should improve the possibility that considerable curtailment of expenditure may become necessary must be faced.

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## PART II.

6. In the remarks which follow it will be convenient to adopt the usual division of the subject, and deal—

*First*, with the accounts of 1892-93, which have been finally closed, and represent actuals ;

*Second*, with the latest revised estimates for the year 1893-94 ;

*Third*, with the Budget Estimate for 1894-95 ;

*Fourth*, with Local Funds.

The figures of Revenue and Expenditure under each major head for each of the first three branches of the subject will be found in Appendix B, and those relating to the fourth in paragraphs 48 and 49 and Appendix C.

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## SECTION I.

### *Accounts of 1892-93.*

7. The actuals of 1892-93 have already been reviewed in detail by the Accountant General and compared with those of the preceding year, and reference is solicited to pp. 117-119 of Part I of the *Bombay Government Gazette*, dated 15th February 1894, in which the review has been printed. The Budget, Revised, and Actual figures are given below :—

	Budget.	Revised.	Actuals.
Revenue ... ..	3,92,24	3,98,81	4,06,01
Expenditure ... ..	4,10,91	4,03,96	4,08,40
	<u>18,67</u>	<u>5,12</u>	<u>2,39</u>

The actual opening balance of the year was 40,70. The closing balance, which was estimated at the time of framing the Budget at 20,15, worked out to 38,31. The variations as compared with the original estimates were very considerable, both in Revenue and in Expenditure. Many of them

were anticipated in the remarks made in last year's Statement on the Revised Estimates. Those of most importance are noticed briefly below.

8. On the Revenue side the only decreases which need be noticed were under the head IX Forest, 123, and XXVI State Railways, 43. The former was partly anticipated and explained in paragraph 9 of last year's Financial Statement, and it is only necessary to add that in Sind the failure of a contractor and a decreased demand for fuel by the North-West Railway caused the revenue to fall below even the figure taken for the Revised. The decrease in the receipts from State Railways was due to the fact that the Hyderabad-Umarkot Railway could not be opened for traffic as soon as had been anticipated.

Several heads, however, show large increases, the causes of which are shortly given below :—

*I Land Revenue, 9,36, of which, however, 7,58 are merely nominal, 7,18 being on account of additions to the assessment of alienated lands, due partly to the introduction of revised settlements and partly to the remeasurement of a large tract of alienated land in Shikárpur which turned out to be of much greater area than had been previously shown,*

1. Revised arrangements for the preparation of Prices Current Lists ... ..	1	and 40 on account of services as noted in the margin undertaken for the Government of India outside the Contract. These items are counter-
2. Dekkhan Agriculturists' Relief Act Commission ...	25	
3. Survey of River Indus ...	14	
	<u>40</u>	

balanced by corresponding debits under 2 Assignments and Compensations, 3 Land Revenue, 20 Police and 32 Miscellaneous. A further sum of

Share of sale proceeds of land on the Esplanade transferred to Provincial at the instance of the Bombay Government ... ..

Short debit to Provincial on account of interest on cost of rails for Hyderabad-Umarkot Railway ... ..

11  
1  
12

12 is made up by adjustments between Imperial and Provincial as shown in the margin, and the remaining 1,66 is an actual increase in the Provincial share of the divisible revenue,

caused by revision survey operations, extension of cultivation and receipt of revenue that had been postponed in the previous year of scarcity. The Revised Estimate has been more than realized.

*IV Stamps.*—2,29, due chiefly to a large special item (95) of probate duty and to the receipt of composition of stamp duty on Bombay and Karáchi Port Trust debentures (30). There was besides the usual increase that accompanies a prosperous year. The actuals however fell short of the revised by 15.

*V Excise.*—31, due partly to recoveries of arrears and to a larger consumption of licit liquor from the Kotri Distillery and in several districts

of the Presidency. The receipts under the minor head Transit Duty on Excise Opium, however, that is from the Pass-fee levied on opium locally consumed, fell, as was anticipated, far below the original estimate though they exceeded the revised.

*VIII Assessed Taxes.*—92, occurring chiefly in the tax on joint stock companies in Bombay City, the export trade of the year having been good, and in the assessments under Part IV of the Income Tax Act, which are steadily rising. Here the revised was again more than realised.

*X Registration.*—27, due to general expansion. The increase anticipated in the revised was 22.

*XVII Police.*—1,43, due to larger recoveries on account of excise and private police, arrears for Dock and Harbour Police paid by the Port Trust and adjustments of the value of stores returned to the Military Department. Of this 1,20 were anticipated in the revised.

9. On the Expenditure side there are net savings on the Budget Estimate amounting to 2,51, which would have been much larger but for an unexpected book increase of 6,71 under *2 Assignments and Compensations (alienated)*, corresponding with the nominal increase in assessment of alienated land in Shikárpur already referred to.

The most important items are noticed below :—

*Increase.*

*1 Refunds and Drawbacks.*—33, of which 10 were anticipated in the revised, the largest item being a refund of stamp duty to the Bombay Port Trust.

*2 Assignments and Compensations (alienations).*—7.26, due, so far as it was not anticipated in the revised, to the book increase referred to above.

*30 Stationery and Printing.*—78, of which 50 were anticipated in the revised, caused by the transfer to this head of items amounting to 1,09 on account of stationery purchased locally, which was formerly charged for under departmental heads. Apart from this there was a saving of 27 in stationery supplied from the Central Stores.

*37 Construction of Railways.*—1,92, due to the postponement of payments for 1891-92, damage by rain and floods, and excess over estimates on construction works. The excess anticipated in the revised was 2,03.

*45 Civil Works* in charge of Public Works Officers—2,66, and in charge of Civil Officers—26, due in the former case to transfer of funds from other Departments for the execution of works, and in the latter to expenditure on the improvement of water-supply in parts of the Deccan and Southern Marátha Country during the scarcity. The actuals exceed the revised by 35.

*Decrease.*

2 *Assignments and Compensations (Cash).*—75, made up chiefly of amounts of claims not preferred and arrears not disbursed.

3 *Land Revenue.*—2,37, of which 1,80 were anticipated. The largest items are under (a) formation of new Collectorate in Sind—scheme not sanctioned, (b) Land Records establishments, which were not entertained in full in the Central and Southern Divisions as budgetted for, (c) Stationery transferred to another major head, and (d) non-payment to village officers of arrears of allowances accruing on revisions of survey settlement.

11 *Forest.*—1,71, of which 1,45 were anticipated due to the contraction of timber operations already referred to, the expenditure naturally decreasing if the revenue falls off, and to a large number of senior officers being on leave.

19A *Law and Justice—Courts of Law.*—96, of which 95 were anticipated, the largest saving (47) falling under the head High Court owing to the absence of several highly paid officers on furlough. The balance is made up of small items under other heads.

20 *Police.*—4,45, of which 3,85 were anticipated due to the non-introduction of the schemes for reorganizing the Presidency and District Police, saving in salaries and establishments and supplies, chiefly arms, &c., transfer of stationery charges, and savings in the Káthiáwár Agency and Bhil Police. Under the minor head Village Police, the introduction of survey settlements caused a slight increase on account of alienations.

22 *Education.*—1,36, most of which is, as explained in last year's Financial Statement, merely nominal, and represents transfers\* to the Public Works Department and to the head Contributions to Local of funds for educational objects. Sums provided for grants to Municipalities afterwards abolished were not utilized. Savings on account of the Law School reorganization and minor items were counterbalanced by extra expenditure on European stores. The actuals are 7 in excess of the revised.

*On account of Primary Education, &c. ...	30
" Local Boards School Buildings ...	43
" Other School Buildings ...	9
" Hyderabad Female Training College ...	2

26 *Scientific and other Minor Departments.*—65, of which 63 were anticipated. 32 are under the head Veterinary Charges, a portion of the expenditure in the Civil Veterinary Department having been transferred to Imperial. The provisions for an Inspector of Factories, and for the City of Bombay Volumes of the Gazetteer were not utilized in full.

33 *Famine Relief.*—96, due to charges for relief works being brought to account under service heads, the cost of infructuous labour only being provided under this head. The actuals are 1 in excess of the revised.

43 Irrigation.—95, of which 85 were anticipated, due to delay in the disposal of land acquisition cases.

Contributions from Provincial to Local.—64, due to the lapse of the grant of 1 lakh for water-supply and the grant for the Petlad-Cambay road which was paid in 1891-92; these items were partly counter-balanced by an excess of 75 in the contributions for schools and school buildings. The actuals are 81 less than the revised.

10. The net result is a deficit of 2,39, reducing the Provincial balance at the end of the year to 38,31, but the expenditure of the year includes a sum of 4,22 invested in the Hyderabad-Umarkot Railway and several extra grants transferred by reappropriation for Public Works.

## SECTION II.

## Revised Estimates of 1893-94.

11. The Budget and Revised Estimates for 1893-94 are compared below:—

RECEIPTS.				Number of Head of Account.	Heads.	Number of Head of Account.	EXPENDITURE.			
Budget.	Revised.	Better, that is, more than estimate.	Worse, that is, less than estimate.				Budget.	Revised.	Better, that is, less than estimate.	Worse, that is, more than estimate.
					Refunds and Drawbacks ...	1	1,79	2,11	...	32
					Assignments and Com- (Cash ...)	2	15,18	15,20	...	11
					pensations. (Alienations ...)		78,41	84,96	...	6,55
				I	Land Revenue—	3				
82,30	64,34	1,54	...	...	Provincial share of gross land revenue	...	...	...	...	
91,16	67,77	6,61	...	...	Alienations ...	...	...	...	...	
77,32	77,47	15	...	...	Fixed Allotment and Adjustments	...	...	...	...	
					(Cash ...)	57,82	60,37	...	95	
					(Alienations ...)	7,83	7,83	...	...	
57	57	...	...	III	Salt ...	...	No expenditure.	...	...	
42,38	42,75	37	...	IV	Stamps ...	6	1,84	1,88	...	2
25,60	20,65	1,15	...	V	Excise ...	7	80	87	...	2
42	44	2	...	VII	Customs ...	...	No expenditure.	...	...	
17,82	17,20	...	62	VIII	Assessed Taxes ...	10	26	26	...	
17,55	17,75	20	...	IX	Forest ...	11	11,26	10,50	...	76
2,85	3,09	24	...	X	Registration ...	12	1,41	1,46	...	5
2,62	2,00	28	...	XII	Interest ...	13	2,20	2,15	...	5
...	...	...	...	XIII	Post Office ...	15	1,06	1,03	...	3
4,07	4,30	23	...	XVIA	General Administration	18	13,94	13,80	...	14
1,98	2,20	22	...	XVIB	Law and Justice—Courts of Law	19A	44,61	4,500	...	36
3,95	4,17	22	...	XVIB	—Jails	19B	6,85	6,85	...	20
70	64	...	6	XVII	Police ... (Cash ...)	20	50,37	46,07	3,00	...
2,83	3,00	17	...	XVII	—Alienations		4,87	4,88	...	6
1,17	1,25	8	...	XVIII	Marine ...	21	42	45	...	3
23	26	4	...	XIX	Education ...	22	17,41	16,84	57	...
2,94	2,88	14	...	XX	Medical ...	24	15,16	15,06	10	...
68	66	1	...	XXI	Political ...	25	3,53	3,53	...	...
87	94	27	...	XXII	Scientific and other Minor Departments	26	2,12	1,70	...	42
1,40	1,30	...	10	XXIII	Superannuation Allowances and Pensions	29	10,41	10,71	...	30
21	27	6	...	XXIV	Stationery and Printing	30	7,57	7,30	...	27
7,88	6,30	42	...	XXV	Miscellaneous ...	32	2,26	2,08	...	18
1,81	1,81	...	...	XXVI	Family Relief ...	33	5	...	...	5
				XXVI	State Railways ... (Construction ...)	37	63	82	...	19
				XXVI	—(Working Expenses)	38	1,09	1,05	...	5
				XXX	Irrigation ...	43	1,25	1,42	...	17
				XXXII	Civil Works ...	45	36,49	34,54	1,95	...
				...	Contributions from Local to Provincial and vice versa.	...	8,75	8,42	33	...
4,00,77	4,12,41	12,42	78	...	Total ...	...	4,13,02	4,12,21	9,02	8,21
35,58	38,31	...	...	Opening	Balance ...	Closing	22,73	38,51	...	...

12. The revenue promises to turn out better than the estimate under all heads except Assessed Taxes, Marine, and State Railways. The deficiency under the last two heads is insignificant, while that under Assessed Taxes is due chiefly to stagnation in trade resulting from the disturbance in exchange and the

accumulation of surplus stocks in China. The following are the principal heads under which an increase of revenue as compared with the original estimates is expected :—

Land Revenue	...	...	8,39
Stamps	...	...	37
Excise	...	...	1,15
Forest	...	...	20
Registration	...	...	24
Interest	...	...	28
Courts of Law	...	...	23
Jails	...	...	22
Police	...	...	22
Education	...	...	17
Superannuation	...	...	14
Miscellaneous...	...	...	27
Civil Works	...	...	42

Of the increase under Land Revenue 1,54 is in connection with the divisible land revenue, and is due to large sales of occupancy rights in several districts, to more extended cultivation and revision survey rates and to recoveries of arrears of 1892-93 in the Karáchi and Shikárpur Districts. Almost the whole of the remaining excess is on account of assessment of alienated lands less quit-rents, which is an item of book adjustment, and is explained to be due to the cause already mentioned in paragraph 8 as accounting for the excess of actuals over the estimate for 1892-93. Progressive improvement of revenue accounts for the increases under Stamps and Registration, while that under Excise is due to arrear payments and to an expected increase of receipts from still-head duty, tari shop license fees, and transit duty on excise opium. The improvement under Forest arises from larger receipts on account of timber and other produce removed from the forests by consumers or purchasers in the Presidency Proper. Under Interest the recoveries on account of advances to cultivators are expected to be in excess of the original estimate, and the change from an annual payment into two half-yearly payments of the instalment of a loan made to the Ahmedabad Municipality will result in an increase in the amount of interest recoverable from that body. Under Courts of Law the increase is on account of sale-proceeds of unclaimed and escheated property, and general fees, fines and forfeitures. The improvement under Jails is attributed to larger sales of jail manufactures, to larger recoveries of transportation and jail charges from Native States, &c., and to hire of convicts in connection with the Nára Gang. The increase under Police is due to certain special receipts for the value of muskets returned to the Ordnance Department in connection with the re-arming of the Mofussil and Agency Police with new weapons. Under Education the amount of fees collected in Schools and Colleges and receipts from workshops and sale-proceeds of books in Sind are expected to be larger. The improvement under Superannuation is due to an increase in the number of officers in Foreign Service, and that under Miscellaneous to a portion of the sale proceeds of the Experimental Farm at

Bhadgaon which was disposed of during the year, being credited to this head. The increase under Public Works is chiefly on account of revenue derived from tolls.

13. On the expenditure side an excess over the original estimates appears chiefly under the heads Refunds and Drawbacks, Assignments and Compensations, Courts of Law, Superannuation, State Railways (Construction) and Irrigation—Minor Works and Navigation. The excess under Refunds and Drawbacks is mainly due to Land Revenue and Excise refunds. The real increase under Assignments and Compensations is only 11, on account of the payment of arrears of Excise Compensations and of Grants to Inámdárs, &c., the remainder being due to the adjustment of the increase in the assessment of alienated lands referred to above. Under Courts of Law the excess is almost wholly due to the Exchange Compensation Allowances and that under Superannuation is attributed to the natural growth of expenditure as establishments increase and the pension list grows larger. The increase under State Railways (Construction) is explained by the facts that a debit of 14 has been raised against the Hyderabad-Umarkot Railway for audit and supervision charges, that payment was made for compensation for land taken up for the Railway, and that an additional grant was required for the construction of a low-level siding to facilitate the ferry traffic at Gidu Bandar Station. The increase under Irrigation—Minor Works and Navigation is on the Gokak Canal, and is due to the charges for compensation for land being in excess of the amount originally provided.

14. Savings are expected principally under the heads Land Revenue, Forest, General Administration, Jails, Police, Education, Scientific and other Minor Departments, Stationery and Printing, Miscellaneous, Civil Works, and Contributions from Provincial to Local. The causes of almost all these savings, which in some cases would have been larger but for the Exchange Compensation Allowances, have been given by the Accountant General in his review published in the *Bombay Government Gazette* dated 15th February 1894. Those heads in which further important alterations have since taken place are referred to below.

The saving under Land Revenue is due mainly to the probability that the payments of cash allowances to District and Village Officers will be smaller than was anticipated when the estimate was framed, to the lapse of the allotment for the re-organization of the Sind Collectorate establishments, and to delay in the introduction of the new agricultural staff in the Kolába District. Under Forest the decrease occurs chiefly in the charges for Conservancy and Works, while that under Police is due to savings in the contingent charges of the District Executive Police and to the provision for the District Police re-organization scheme not being utilized for the purpose. The bulk of the decrease under Education is nominal and arises from the transfers of grants (55) to the heads Contributions from Provincial to Local and Public Works for school-



building purposes. That a saving is anticipated, as noted above, under the heads named instead of the excess which might have been expected to result from these transfers is due, in the case of Civil Works, to the suspension towards the end of the year of all works not already commenced as explained in Part I, paragraph 3, and in the case of Contributions, principally to the lapse of the provision made for village sanitation.

15. The net result is that the expenditure is now expected to be within the revenue, and that the deficit of 12,85 which was originally estimated for, will probably be converted into a surplus of 20.

### SECTION III.

#### *Budget Estimate for 1894-95.*

16. In connection with this branch of the subject, and with reference to remarks made in the course of the discussion on last year's Financial Statement as to the apparent tendency to under-estimate receipts and over-estimate expenditure, it may be as well before going further to recall the explanation then given of the general principle on which the annual budget is framed. Receipts are estimated, in the absence of any specific change in the conditions, on a consideration of the recent actuals including, it may be added, the latest figures available for the year current when the estimate is prepared. From this it follows that the growth of the estimate is commonly a little in arrears of the growth of the revenue. In regard to expenditure the reason that the actuals have fallen off late so much below the estimate is not so much that the estimates have been too high, as that provision has been made for costly schemes of re-organization, the realization of which has for various reasons been delayed. Two of the most important of these sources of apparent, not actual, saving will however be eliminated this year. The Police re-organization scheme has been sanctioned and the provision made for it will therefore be utilized in full, and the formation of a new Collectorate in Sind having been negatived for the present by the Secretary of State for financial reasons, the estimates will no longer be swelled by the sums provided for the last year or two in connection with it. The margin of probable saving which can be counted on this year is smaller than has been usual of late. Apart from this the financial position has been seriously affected for the worse by two important measures which were entirely unforeseen when last year's Statement was presented. In the first place, the whole of the Exchange Compensation allowance to officers paid from Provincial revenues has been thrown as a charge on those revenues. This amounted in 1893-94 to 3,36 and is expected in 1894-95 to reach a total of at least 6,26. This last calculation has been made on the basis of a 1s. 2d. exchange, and it is probable that the sum entered in the Budget will be found insufficient and that a considerable part of such savings as may accrue will have to be applied to meet the increasing Compensation allowances. In addition to this heavy charge, the Government of India have,

notwithstanding that the Contract was expected to remain unaltered for 5 years, levied in 1894-95 a special contribution of 5,60 and have reduced the fixed allotment under I Land Revenue by that amount. Provincial revenues are not of so elastic a nature as to meet such demands without difficulty, and it was accordingly found necessary to reduce the Budget by 3,85 in order to maintain the minimum closing balance of 20,00.

The general result is exhibited below :—

	1893-94.		1894-95.		More than 1893-94.		Less than 1894-95.	
	Budget.	Revised.	Budget.	Budget.	Revised.	Budget.	Revised.	
Opening balance ...	36,58	38,31	38,51	2,98	20	...	...	
Revenue ...	4,00,77	4,12,41	4,07,07	7,20	...	...	1,2	
Expenditure ...	4,18,02	4,12,21	4,26,48	13,56	14,27	...	...	
Surplus ...	...	20	...	...	...	...	...	
Deficit ...	12,85	...	18,51	5,66	18,71	...	...	
Closing Balance ...	22,73	38,51	20,00	...	...	2,73	18,51	

3.—Land Revenue—	
Temporary Establishment and purchase of chemicals for the Government Photozincographic Office ...	11-8
Scheme for the establishment of a Railway suburb at Viramgam in the Ahmedabad District ...	5
12.—Registration—	
Improvement of pay of clerks in Bombay Sub-Registry Office ...	6
13.—Interest—	
Interest on Provincial Advances and Loan Account ...	4
22.—Education—	
Grants for Educational purposes ...	5-1
24.—Medical—	
Creation of the appointment of a Pharmacologist in the Grant Medical College ...	6
32.—Miscellaneous—	
Remuneration for the contemplated preparation of a Flora of the Bombay Presidency...	2-5
Total ...	35

17. The more important details are discussed under the various Major Heads in the following paragraphs. It must be explained that the demand by the Government of India having been made too late to admit of the accounts being altered, it was agreed that the reduction of 3,85 above referred to should for budget purposes be effected through the Public Works allotment, and in the figures given under the various heads below that arrangement has been followed. It has been decided however that to avoid the loss and inconvenience which a stoppage of works in progress would entail, the reduction to be actually made in the Public Works grant should be 3,00 only, the remaining 85 being made up by re-appropriation of 50 from the grant for village water-supply and sanitation, which will still stand at 1,34 as against 30 in 1890-91 and can well bear the reduction, and the balance from the various small items noted in the margin.

#### Refunds and Drawbacks—1.

18. This is a head of expenditure only. The figures are as given below :—

	ACCRUALS.			1893-94.		1894-95.
	1891-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Refunds and Drawbacks.	1,89	1,97	2,16	1,79	2,11	1,97

Provincial revenues are debitable with a share of sums refunded under various Revenue heads corresponding to their share of the receipts under the same heads, as exhibited in Appendix A. The most important are under Land Revenue, Stamps, and Excise, and apart from extraordinary items or changes of system their amount varies generally with the magnitude of the transactions of the year under the corresponding Revenue heads.

The increase as compared with the Budget of 1893-94 occurs under the heads Land Revenue

ind Excise and naturally accompanies an expected increase of revenue.

*Assignments and Compensations—2.*

19. This is also a head of expenditure only.

	ACTUALS.			1893-94.		1894-95.
	1900-01.	1901-02.	1902-03.	Budget.	Revised.	Budget.
<b>Assignments—</b>						
Cash .. .. .	10,95	19,97	16,34	11,60	11,53	11,67
Alienations .. .. .	76,91	77,36	84,86	75,41	84,90	85,36
<b>Compensations—</b>						
Cash .. .. .	3,76	3,56	4,44	3,09	3,76	3,77
<b>Total .. .. .</b>	<b>91,63</b>	<b>91,89</b>	<b>99,74</b>	<b>93,60</b>	<b>1,00,25</b>	<b>1,00,80</b>

Under Assignments the Provincial expenditure consists of cash allowances to inámdárs, district and village servants and officers, charitable and religious allowances (warshásans and devastháns) and the assessment less quit-rent of alienated lands. The cash payments do not show any great variation, and it may be remarked that they vary from year to year chiefly on account of disbursements of arrears. The introduction of revision survey settlements—in particular the correction of the areas of alienated land in Shikárpur, which was effected after the Budget for 1893-94 was framed, and has already been referred to in paragraphs 8 and 12 above—accounts for the large increase under Alienations.

Under Compensations the Provincial head is made up of certain Salt and Opium compensations and a share in Excise compensations, and of sundry miscellaneous items, most of them being annually recurring charges. The renewal of ábkári leases in the Native States is expected to involve some increased expenditure which has been provided for under Compensations.

*I.—Land Revenue—3.*

20. The figures under this head are as under:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
<b>Revenue—</b>						
Provincial share .. .. .	89,86	89,78	91,33	92,80	94,34	94,29
Alienated .. .. .	89,47	89,03	97,47	91,16	97,77	99,14
Contract Assignment and Adjustments .. .. .	71,00	92,44	77,65	77,32	77,47	71,62
<b>Total .. .. .</b>	<b>2,50,42</b>	<b>2,73,20</b>	<b>2,06,35</b>	<b>2,61,28</b>	<b>2,69,58</b>	<b>2,64,25</b>
<b>Expenditure—</b>						
Charges of District Administration .. .. .	28,73	29,10	29,20	29,00	30,00	31,23
Survey and Settlement .. .. .	3,52	7,73	7,05	6,34	5,90	5,53
Land Records and Agriculture .. .. .	68	75	1,13	1,61	1,92	2,66
Allowances to District and Village Officers .. .. .	25,88	26,20	28,20	27,86	26,03	28,11
<b>Total .. .. .</b>	<b>63,91</b>	<b>63,83</b>	<b>65,58</b>	<b>65,70</b>	<b>64,75</b>	<b>67,53</b>

The revenue is made up of 3 items, viz., the Provincial share of the divisible receipts, plus alienations, which are credited in full under this head and debited in full, partly, as we have seen, under Assignments and Compensations and partly, as will be shown below, under Land Revenue and Police, plus the contract assignment, which is adjusted under

this head by deduction from the Imperial and addition to the Provincial share of the divisible revenue.

Allowance has been made under the first item for some extension of cultivation and for enhancements amounting to 4,68, of which one-fourth will belong to Provincial Revenues, expected to accrue from the introduction of revised survey settlements. On the other hand, the revenue from sales of land, occasional items of fixed revenue and unauthorized cultivation is expected to fall off as a natural consequence of the diminution in the area of waste land.

The increase under the second item is counterbalanced by corresponding charges under 2 Assignments and Compensations, and 20 Police.

The assignment fixed for the present contract is 77,14, to which have been added 11 for certain establishments and 27 for the survey of the river Indus. On the other hand, 10 have been deducted on account of interest on the value of rails supplied by the Government of India for the Hyderabad-Umarkot Railway, and 5,60 on account of the contribution to Imperial referred to above, para. 16.

21. The expenditure represents the cost of District Administration, including the collection of the Imperial as well as the Provincial share of the land revenue, under the following heads:—

- (a) Charges of District Administration (Land Revenue Department).
- (b) Survey and Settlement.
- (c) Land Records and Agriculture.
- (d) Allowances to District and Village officers (excluding Village Police, charges for which appear under 20, Police).

Under (a) are included large special charges for potpaháni work in the Konkan. The provision made last year for the new Collectorate in Sind has been omitted as already mentioned, and 5 out of 10 provided for the establishment of a Railway suburb at Viramgam had already been paid in 1893-94 and will be re-appropriated for Public Works. The reduction under (b) is due to the abolition of the Sind Survey. Out of the 5,55 provided 11 have since been transferred to Public Works as noted above, paragraph 17. The estimates under (c) have been swelled this year by the introduction of Land Records establishment in Sind and in Kolába, and all three items have been seriously affected by Exchange Compensation charges.

The last item (d), which is shown separately in the table above, paragraph 20, includes the adjustment spoken of in that paragraph as made in part by debit under this head against the sum credited as Alienations.

### III.—Salt.

22. This is a head of receipt, consisting of the minor items of Fines and Forfeitures and Miscellaneous Duty realizations, all other important

sub-heads as well as all expenditure being Imperial. The figures are as under :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Fines and Forfeitures ... ..	1	3	3	2	1	2
Miscellaneous ... ..	45	54	54	55	56	55
Total ... ..	46	57	57	57	57	57

The last item only is of any importance. \*It is made up chiefly of establishment charges paid by licensees of salt works, contributions from Port Funds towards coast guard establishments and storage charges, and is not liable to much variation.

#### IV.—Stamps—6.

23. Under this head Provincial shares with Imperial both receipts and expenditure in the proportion of  $\frac{3}{4}$  to  $\frac{1}{4}$ . The Provincial figures are :—

	Actuals.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	40,12	40,86	42,98	42,33	42,75	42,75
Expenditure ... ..	1,60	1,66	1,78	1,84	1,86	1,87

On the revenue side an increase under General and Court-fee Stamps may apparently be counted on. The variations in the expenditure depend chiefly on the amount of discount and commission which grows with the sales.

#### V.—Excise—7.

24. The division of revenue and expenditure between Provincial and Imperial is the converse of that under the last head. The Provincial figures are :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	24,98	25,64	25,64	25,50	26,65	26,75
Expenditure ... ..	86	87	84	89	87	86

The receipts comprise License and other fees on Foreign liquor, Country liquor, Toddy, Opium, and Fermented liquor, Pass-fee duty on, and gains on sale proceeds of, opium consumed in the Presidency, and Fines, confiscations, &c. The pass-fee on opium exported to China, it will be understood, is credited to II.—Opium, and is entirely Imperial.

As will be seen from the figures the estimate for 1893-94 was too low. The revenue from country liquor so far from declining as was anticipated, has steadily increased. The receipts for 1894-95 have been calculated after making due allowance for payment of arrears in the preceding year and for reductions under the new contracts. The estimate under Transit Duty on Excise Opium, *i.e.*, pass fee on opium locally consumed, shows a falling off.

The expenditure contains no large unusual items.

#### VII.—Customs.

25. This resembles III—Salt in being an item of receipt only, and comprises only the minor heads of Warehouse and Wharf Rents and Miscellaneous (the latter including fees for boat licenses, for transshipment, and for duplicates and amendments of Customs documents, and confiscations and penalties), all the important items of receipts, including customs duty, and all expenditure being Imperial. The figures are as under :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Warehouse and Wharf rents ...	2	2	2	2	2	2
Miscellaneous ...	42	38	41	40	42	42
Total ...	44	40	43	42	44	44

No variation of importance was expected when the budget was prepared, but it is probable that the re-imposition of Customs duties will affect the transshipment fees, which are levied on dutiable goods, and the estimate under Miscellaneous may be exceeded.

#### VIII.—Assessed Taxes—10.

26. This is an item of both revenue and expenditure, the Provincial share being in each case one-half, except in receipts from income-tax on surplus profits of Guaranteed Railway Companies, which are wholly Imperial. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
<i>Revenue.</i>						
Salaries and Pensions.	3,40	3,51	3,56	3,54	3,65	3,66
Profits of Companies.	1,43	1,39	1,73	1,75	1,50	1,50
Interest on Securities.	98	97	1,01	98	1,04	1,06
Other sources of Income.	10,84	11,15	11,36	11,54	11,00	11,41
Other Items ...	1	1	1	1	1	1
Total ...	16,66	17,03	17,67	17,82	17,20	17,64
<i>Expenditure</i>						
...	27	26	25	26	26	26

The original estimate for 1893-94 under Profits of Companies, and Other sources of Income,

which were affected by the general depression in trade caused by the disturbances of exchange, proved much too high and had to be considerably cut down in the revised estimate. The late season has been very favourable for crops and the revenue from the second of the two heads mentioned above is expected to recover. Under Profits of Companies, the revised figures have been repeated for 1894-95. Receipts from Salaries and Pensions are progressive, and an increase is also looked for under Interest on Securities in consequence of the raising of the new  $3\frac{1}{2}$  per cent. loan and recent reimportations of Government paper.

The estimates for expenditure follow generally the sanctioned scales of establishment and percentage remuneration for collection.

#### IX.—Forest—11.

27. Under this head also both revenue and expenditure are equally shared between Provincial and Imperial. The figures are as under :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	16,42	16,42	16,33	17,55	17,75	18,00
Expenditure ... ..	9,28	9,64	9,49	11,26	10,50	11,24

The revenue is derived chiefly from Timber and other Forest produce and from Miscellaneous items. In Sind large indents have been preferred by the North-Western Railway and the Commissariat Department, and in the Southern Division the favourable nature of the year, the demand for fuel by the Southern Marátha Railway and the Hubli-Weaving Mills and a plentiful crop of myrabolams justify the increased estimate. The difference on the expenditure side is small and with the exception of Exchange Compensation no abnormal items are included.

#### X.—Registration—12.

28. The revenue and expenditure are equally shared as under Forest. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	2,49	2,69	2,85	2,85	3,09	3,14
Expenditure ... ..	1,46	1,50	1,39	1,41	1,46	1,48

The revenue figures allow for the normal increase in 1894-95. The expenditure includes a provision of '6 for the improvement of the status of the Bombay Establishment, but, as explained in paragraph 17 above, it has since been decided to re-appropriate this sum for Public Works.

## XII.—Interest—13.

29. For Provincial purposes the expenditure under this head consists of Interest paid to the Government of India on the Provincial Advance and Loan Account, that is, on the sums from time to time placed at the disposal of the Local Government for making takávi advances and loans under the Land Improvement, Encumbered Estates, Talukdárs, and Local Authorities Loans Acts and other special Acts, and the receipts of the interest paid by the recipients of such loans and on Government Securities held by the Local Government. The figures are :—

	ACTUALS.			1903-04.		1904-05.
	1900-01.	1901-02.	1902-03.	Budget.	Revised.	Budget.
Revenue ... ..	2,21	2,33	2,59	2,62	2,90	3,00
Expenditure ...	1,51	1,79	2,05	2,20	2,15	2,27

As was explained last year, although receipts and expenditure on account of interest are included in the terms of the Provincial Contract, the Provincial Advance and Loan Account itself is not. The amounts placed at the disposal of the Local Government for loans and advances are in addition to the contract assignment and are fixed yearly on a consideration of the available resources of the Government of India and of the demands presented, and the amount which can be advanced by the Local Government in any year is limited to the sums allotted for the purpose, plus any sums received during that year in repayment of previous advances. The interest payable to the Government of India is at the rate of 4 per cent. That charged by the Local Government varies, but is usually fixed at  $4\frac{1}{2}$  per cent. to cover risk of bad debts, for which the Local Government is responsible. The revenue and expenditure advance steadily with the increase in the amount of loan money in the hands of Municipalities, cultivators and other borrowers. The advantages of the takávi system are widely recognized and the growing demands from the local officers testify to its increasing popularity.

## Post Office—15.

30. Under this head Provincial Revenues are chargeable with the cost of the District Post, which is maintained chiefly for administrative purposes in localities to which the Imperial Post has not yet been extended, and with a subsidy paid for the conveyance of mails by sea to the Konkan Coast. A contribution paid by the Portuguese Government towards this subsidy which formerly passed through the Provincial accounts is now recovered by the Imperial Post Office, so that the head is one of expenditure only. The figures are as shown below :—



	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
District Post Es- tablishments ...	92	92	91	91	88	85
Subsidies ...	16	15	14	15	15	15
Total ...	1,08	1,07	1,05	1,06	1,03	1,00

The decrease is due to some Inspectors having been brought on the Imperial Establishment.

*General Administration—18.*

31. This also is a head of expenditure only and is almost entirely Provincial, the exceptions being the Account and Currency Departments and Allowances to Presidency Banks, which, allowing for a small account establishment maintained at the cost of Provincial Revenues for audit of Local and Municipal Accounts, are Imperial charges. It includes charges on account of the salary and establishment of His Excellency the Governor, the Members of Council, the Commissioners, the Inspector-General of Jails, Registration and Stamps, the Secretariat Offices, and Local Fund Establishments in the offices of Collectors and of the Accountant General. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Expenditure ...	13,16	13,62	13,68	13,94	13,80	14,44

There are no important extra charges under this head with the exception of Exchange Compensation allowance which amounts to 54. The abolition of the Military Department of the Secretariat has not yet been effected.

*XVI A.—Law and Justice—Courts of Law—19 A.*

32. This is a wholly Provincial head, including under receipts the realizations from escheated property, court-fees paid in cash, sundry miscellaneous fees, and general fees, fines and forfeitures, the last item alone being of any importance. Under expenditure appears the whole cost of the judicial system of the Presidency, from the High Court downwards. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	4,00	4,07	4,31	4,07	4,30	4,26
Expenditure ...	44,15	43,95	43,73	44,64	45,00	46,66

The receipts are as usual estimated on past actuals. The amount of Exchange Compensation

under this head which, including as it does half the salaries of Collectors and their Assistants and Deputies, is the one most affected, comes to 2,00, and to this cause and to some minor revisions of establishments and extra contingent charges the increase in the budget is attributable.

*XVI B.—Law and Justice—Jails—19 B.*

33. This is also wholly Provincial. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	2,20	2,19	2,02	1,98	2,20	2,30
Expenditure ... ..	6,25	6,36	6,47	6,85	6,65	6,94

Some improvement is expected in 1894-95 in the sale-proceeds of jail manufactures and in the item "Hire of convicts", as convict labour will be employed on several new works. The expenditure estimates for 1894-95 include provision for increase of the clothing grant, for clothing and bedding for the Presidency lock-ups, and for revised dietary scales.

*XVII.—Police—20.*

34. This is another head now wholly Provincial. Up to the introduction of the new contract from 1892-93 Railway Police charges were Imperial. The figures are as under :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	3,86	3,90	5,13	3,95	4,17	3,98
Expenditure—						
Cash ... ..	46,58	48,42	46,42	50,27	46,67	51,91
Alienations ... ..	4,81	4,83	4,88	4,87	4,93	4,92
Total ... ..	51,39	53,25	51,30	55,14	51,60	56,83

The receipts consist chiefly of recoveries from public bodies or individuals for Police entertained wholly or in part at their charges, and sundry miscellaneous items. The contribution paid by the Bombay Municipality on account of the cost of the City Police does not appear as a receipt, being taken in reduction of the charges under that head.

The revenue is normal. Under expenditure, provision has been made for a further increase in the City Police, which has been asked for by the Commissioner and sanctioned with some modification. As noticed above, paragraph 16, the re-organization of the District Police in the Presidency proper has now

been sanctioned, and will be partly introduced during 1894-95, financial pressure preventing its complete introduction. A sum of 75 has also been provided for Sind. The increase under the minor head Special Police is due to the appointment of an Assistant Superintendent in Káthiáwár, the grant of a local allowance to the Superintendent for Railway work and the revision of the Mahi Kántba Agency Police. The amount of Exchange Compensation under this head is 68.

*XVIII.—Marine—21.*

35. A wholly Provincial head. The figures are as under:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	64	69	66	70	64	64
Expenditure ... ..	38	43	33	43	45	64

The receipts from fees at the Shipping Offices, which make up the greater part of the revenue, are expected to show some decline owing to the depression in the trade with China. The expenditure includes special provision for repairs to the *Jhelum*, the Government steamer on the Indus.

*XIX.—Education—22.*

36. Another wholly Provincial head. The figures are given below:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	2,70	2,80	2,87	2,83	3,00	3,00
Expenditure ... ..	16,51	16,36	16,42	17,41	16,64	18,11

They are however subject to a reduction of 5, of which 3·4 is in the building grant, under the circumstances noticed in paragraph 17.

The receipts are made up almost entirely of school and college fees, plus a small sum on account of municipal contributions towards the cost of schools and sundry miscellaneous items, chiefly sale proceeds of books and workshop receipts. The Budget figures correspond with the Revised figures for 1893-94.

The expenditure includes the whole cost of the teaching and inspecting staff for the various Government Colleges and Schools and Grants-in-aid to private institutions, but not Grants-in-aid to Local

2, Assignments and Compensations—		
Allowances to Dakshina Fellows, &c. ... ..	21	
24, Medical—		
Grant Medical College ... ..	1,45	
Medical Schools at Hyderabad, Poona, and Ahmedabad ... ..	38	
26, Scientific and other Minor Departments—		
Veterinary College, Bombay ... ..	16	
Veterinary Class, Poona ... ..	3	
Donations to Scientific Societies ... ..	5	
Total ... ..	2,28	

Fund schools, which appear under Contributions, nor charges on account of construction or maintenance of educational buildings, which are debited to Civil Works. In the estimates, however, it is found convenient to make provision to some extent for items of this description, which are transferred to their proper account heads when the expenditure is actually incurred, and hence it happens that the actuals of expenditure commonly appear to be less than the budget estimate, though the whole amount or more may really have been disbursed. Provision is made for increased Grants-in-aid by results 16; extra payments in support of municipal schools 23, and a grant to the Fergusson College 3, besides minor revisions of establishments and various special contingent charges. The building grant was fixed at 1,20, which however has since been reduced to 1,17, as noticed above. The amount of Exchange Compensation under this head is 36. In addition to the Budget Estimate of 18,11, sums of 71 and 5,38 have been entered under Civil Works and Contributions for expenditure on educational objects, making 24,20 in all, exclusive of grants under *Medical*, and other heads, for purposes more or less directly educational, which come to another 2,28 as shown in the margin:

XX.—*Medical*—24.

37. This head is wholly Provincial. The figures are :—

	ACTUALS.			1893-04.		1891-96.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	1,13	1,13	1,10	1,17	1,25	1,20
Expenditure .. ..	12,85	13,28	14,22	15,16	15,06	16,23

The receipts consist chiefly of Medical College fees, Hospital and Lunatic Asylum receipts, and Contributions, and vary but slightly from year to year in the absence of any special items.

The expenditure includes all charges for Civil Medical establishments in Bombay and the Mofussil, excepting Aden and Kathiawar, where they are treated as Political, and on account of Government and Grant-in-aid Hospitals and Dispensaries, Lunatic Asylums, Medical Schools and Colleges, Vaccination and Sanitation.

Exchange Compensation is a heavy item and amounts to 72. Provision has also been made for the appointment of a Chemical Analyser at Karachi, for grants for new dispensaries, ordinary grade promotions, furniture for the new Medical School and Civil Hospital at Hyderabad and increased contingent charges at the St. George's Hospital, which has attracted a larger number of patients

than the old hospital. A sum of Rs. 6,000 for a Pharmacologist at the Grant Medical College is also included but the Government of India have refused to sanction the appointment and the provision is among those re-appropriated for Public Works as noted in paragraph 17.

*Political—25.*

38. A head of expenditure only. The figures are:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Expenditure ...	3,53	3,25	3,29	3,53	3,53	3,67

Provincial charges relate to the Káthiáwár, Mahi Kántha, Pálanpur, Cutch, Southern Marátha Country, and a few minor Agencies. Aden and Baroda charges are Imperial. The cost of Darbár presents at Kolhápur, although mainly a nominal charge and recovered by corresponding receipts as shown elsewhere, on the occasion of the investiture of the Rája and Exchange Compensation allowances which amount to 27 account for most of the variation from the budget figures of 1893-94.

*XXI.—Scientific and other Minor Departments—26.*

39. Under this head the receipts are entirely Provincial. Expenditure is also entirely Provincial except items on account of the Bacteriological Laboratory, establishments on the cadre of the Civil Veterinary Department, Census operations, and Preservation and translation of Ancient Manuscripts, which are Imperial. The Provincial figures are:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	38	33	28	22	26	21
Expenditure ...	1,66	1,87	1,60	2,12	1,70	2,30

Examination fees are the chief item of revenue. There is an increase under Veterinary receipts which is more than counterbalanced by a falling off in the receipts from Experimental Cultivation, the Bhadgaon farm having been sold in 1893-94.

The charges comprise a number of items of which the most important are Provincial Museums, Public Observatories, Experimental Cultivation, Veterinary charges, Inspector of Factories, and Registration of Railway traffic.

The only large increase under any of the minor heads is in Experimental Cultivation\* 10, chiefly on account of the establishment of a stock farm at

Poona. The last year's provision for the contribution of 17 to the Reay Industrial Museum at Poona has also been transferred to the new Budget.

*XXII.—Superannuation—29.*

40. The sub-heads specified in Appendix A under this main head are Provincial. The receipts consist of contributions from officers lent to Municipal or Local Funds or in Foreign Service.

The charges are almost entirely on account of superannuation and retired allowances paid in this country to members of the Bombay Services. It will be some time before these reach their maximum even on the basis of existing establishments, and they must continue to grow with the administrative development of the country. The figures are :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	2,55	2,36	2,33	2,24	2,38	2,52
Expenditure ... ..	15,29	15,53	16,06	16,41	16,71	17,07

The increase in receipts is due to the absence of a greater number of officers on Foreign Service.

*XXIII.—Stationery and Printing—30.*

41. This is another head which is mainly Provincial, but under which a few sub-heads are excepted as shown in Appendix A. The Provincial receipts consist mainly of sale proceeds of Gazettes and other publications, and payments for certain printing work done for Local Funds, Municipalities, &c.

The expenditure represents the cost of the Stationery Office and the Government Presses and of Stationery issued from the Central Stores and purchased locally.

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ... ..	65	66	69	65	66	69
Expenditure ... ..	5,85	5,84	7,08	7,57	7,30	7,59

There are no variations of importance under either head.

*XXV.—Miscellaneous—32.*

42. This is also a mixed head, certain sub-heads being Provincial and others Imperial. Among the Provincial receipts the most important items are Unclaimed Deposits, Miscellaneous fees, fines and forfeitures, and Miscellaneous. Both receipts and charges are of a fluctuating character. The latter

include a great variety of items, among which by far the largest is on account of Rents, Rates and Taxes.

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	1,06	52	82	67	94	1,06
Expenditure ...	1,66	3,61	2,54	2,26	2,08	2,17

The receipts include two large special items—26 on account of part of the sale proceeds of the Bhadgaon farm and 20 on account of a Darbár present from the Kolhápúr State.

The small decrease in expenditure is spread over a number of minor heads.

#### *Construction of Railways—37.*

43. This is an expenditure head opened for the first time in 1891-92 in connection with the construction of the Hyderabad-Umarkot Railway. The figures are given below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Expenditure ...	...	11,72	4,22	63	82	60

Out of the 60 required in 1894-95, 50 are for ballast and permanent way and 10 for stations and buildings.

#### *XXVI.—State Railways—38.*

44. This head also relates solely to the Hyderabad-Umarkot Railway, and represents the receipts and expenditure on the working of the line. The figures are :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ..	...	...	64	1,40	1,30	1,40
Expenditure ...	...	...	64	1,00	1,05	1,10

The excess of 10 over the budget of 1893-94 is on account of maintenance of way and works, including repairs of bridges, stations, &c.

#### *XXX.—Irrigation—43.*

45. This is mainly an Imperial head, the Provincial share being limited to Revenue and Expenditure on account of the Gokák Storage Works, as shown below :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	10	17	17	21	27	21
Expenditure ...	2,60	38	10	1,25	1,42	24

The revenue is derived from charges for the water supplied from the Works. The expenditure for 1893-94 includes 1,36 for payment of compensation for land taken up. The Budget figures for 1894-95 are made up of 5 for working expenses, 14 for capital expenditure, and 5 for compensation for land.

### XXXII.—Civil Works—45.

46. This head, so far as Provincial Revenues are concerned, includes receipts and expenditure by the Public Works Department and by Civil Officers in connection with Provincial works of public improvement and communications, and with buildings for Provincial Departments. The figures are :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
<i>By the Public Works Department.</i>						
Revenue ...	8,12	7,48	8,00	7,85	8,27	8,35
Expenditure ...	40,17	39,60	34,80	36,40	35,45	33,30
<i>By the Civil Department.</i>						
Revenue ...	3	3	3	3	3	3
Expenditure ...	11	22	37	9	9	9

The revenue is chiefly derived from tolls on roads, rents, and sales of buildings, produce of trees, and sales of old material, tools and plant. The expenditure by the Public Works Department is divided into Original Works, Repairs, Establishment, and Tools and Plant, the two first heads being again sub-divided into Civil Buildings, Communications and Miscellaneous Public Improvements. In preparing the budget, provision has necessarily first to be made for original works in progress and for recurring charges, including repairs and establishment. Any available funds remaining after providing for the above are then allotted for new works, so far as they go, in order of urgency. The reduction of the Public Works allotment under the circumstances described above, paragraph 17, has made it impossible this year to do much more, even with the aid of the reappropriations proposed, than provide for works in progress, which are large, and for recurring charges. It is distributed as follows :—



<i>Original.</i>			
Civil Buildings ...	...	...	6,95
Communications ...	...	...	1,33
Miscellaneous Public Improve- ments.	...	...	24
Reserve	...	...	1,53
			10,05
<i>Repairs.</i>			
Civil Buildings ...	...	...	3,90
Communications ...	...	...	8,57
Miscellaneous Public Improve- ments	...	...	29
			12,76
Establishment ...	...	...	9,99
Tools and Plant ...	...	...	50
			33,30
Total ...		...	33,30

The estimates for original works provide for the addition to the Public Works Secretariat buildings at the Presidency now in progress, the completion of the Ahmedabad and Hyderabad Jails and of the Civil Hospital and Medical School at Hyderabad, the reconstruction of the Dapuri Bridge, the protection of the Back Bay Foreshore, the High School at Dhulia, quarters at the Deccan College, and Mám-latdárs' Kacheris, Court houses, Police Lines, and Survey Records Offices in several districts.

#### *Contributions.*

47. The figures are :—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
Revenue ...	1,78	2,97	1,44	1,81	1,81	1,78
Expenditure ..	6,89	9,11	7,13	8,75	8,42	8,95

The receipts consist almost entirely of contributions made by Local Boards for the cost of establishments maintained under Bombay Act I of 1884 in the Revenue and Account Offices for Local Fund purposes and for the cost of Vaccination establishments. They show a decrease of 11, a special contribution of 8 being made in 1893-94 by the Thar and Parkar Local Board towards the Hyderabad-Umarkot Railway, and an increase of 8 on account of Vaccination establishments. The Local Funds contributions for Public Works, &c., are expected to be less by 3.

The expenditure provides for an additional grant of 23 for Primary Schools and a reduction of 6 under "Local Public Works." The principal items are :—

Grants to schools in the Mofussil ...	5,32
Grants for sanitation and water- supply ...	1,84
Grants in lieu of one-anna cess on Excise ...	1,55

.. The second item has since been reduced as noted in paragraph 17 to 1,34.

## SECTION IV.

*Incorporated Local Funds.*

48. Three Incorporated Local Funds are under the control of Government, *viz.*, the Steam Boiler Inspection Fund, the Government Central Book Depot Fund, and the Sind Village Officers' Cess Fund. The figures for these are:—

	ACTUALS.			1893-94.		1894-95.
	1890-91.	1891-92.	1892-93.	Budget.	Revised.	Budget.
<b>Steam Boiler Inspection Fund—</b>						
Revenue .. ..	38	42	48	48	43	43
Expenditure.. ..	38	22	55	27	80	38
<b>Government Central Book Depot Fund—</b>						
Revenue .. ..	1,44	1,56	1,47	1,45	1,38	1,49
Expenditure.. ..	1,03	1,54	99	1,61	80	1,29
<b>Sind Village Officers' Cess Fund—</b>						
Revenue .. ..	3,78	3,73	3,61	3,90	4,10	4,10
Expenditure.. ..	2,68	3,70	2,69	2,70	2,85	4,45

The increase in the Revised figures of the Steam Boiler Inspection Fund charges is due partly to the temporary appointment of a fourth Inspector and partly to an enhancement in the scale of Examiners' fees. In the estimates for 1894-95 provision has been made for the amalgamation of the establishment with that entertained for Factory Inspection.

The Revised estimates of revenue and expenditure under the Government Central Book Depot Fund have been reduced on the basis of latest actuals, the large falling off being on account of the purchase and publication of books. In 1894-95 the payment of a large honorarium will increase the figures over the Revised for 1893-94.

The delay in the introduction of the scheme for the improvement of village establishments in Sind accounts for the great difference between the Budget and Revised Expenditure figures of 1893-94. It is, however, hoped that it will be introduced in 1894-95.

49. The only other Incorporated Local Funds are those administered by the District and Taluka Local Boards constituted under Act I of 1884. An administration report giving full details of their working, revenue and expenditure is published annually, and as their financial operations are not controlled directly by Government, and do not fall within the scope of Provincial finance, comment is not necessary. The figures of revenue and expenditure (including the cost of collection of the revenues assigned under Section 44 of Act I of 1884) will be found in Appendix C.

## SECTION V.

*(Concluding remarks).*

50. The incidence of the Exchange Compensation charges, for which no allowance was made in the contract, and the special contribution to Imperial Revenues in 1894-95 have tended to reduce the

discretionary expenditure from Provincial Revenues very considerably, and the Public Works Budget has suffered most in this respect. No very large increase of revenue over the revised figures of 1893-94 is looked for except in the case of Forest and Assessed Taxes, while the introduction of the Police re-organization, the extension of the Land Records establishments, increased grants for education, and other schemes of administrative improvement are expected to raise the expenditure materially above that of 1893-94. In paragraph 46 of last year's Statement it was remarked that no difficulty was anticipated in adjusting the normal expenditure to the normal receipts, but the extra charges referred to were not then foreseen. The Government of India have promised to return the money taken away should their financial position improve during the currency of the present contract, but it is doubtful if this result will be attained, and it seems probable that on account of the falling Exchange the expenditure of the various Departments will have to be considerably curtailed from 1895-96.

A. C. TREVOR.

## APPENDIX A.

REVENUE.			EXPENDITURE.		
1	2	3	4	5	6
Major head.	Minor heads.	Provincial share.	Major head.	Minor heads.	Provincial share.
I.—Land Revenue.	"Assessment of alienated lands less quit-rent." All other minor heads ...	The whole. One-fourth.*	1.—Refunds ...	The heads of which the corresponding receipts are wholly or partially Provincial. "Excise Compensations" ... All other heads except— "Goa Subsidy," "Salt Pans in Portuguese India," and "Customs Tariff Compensation."	The same share as in the case of the corresponding heads of receipt. One-fourth. The whole.
III.—Salt ...	"Rents of Warehouses" "Fines and forfeitures" "Miscellaneous" ...	The whole.	2.—Assignments and Compensations.		
IV.—Stamps ...	All ...	Three-fourths.	3.—Land Revenue ...	All ...	The whole.
V.—Excise ...	All ...	One-fourth.	6.—Stamps ...	All ...	Three-fourths.
VII.—Customs ...	"Warehouse and Wharf rents," "Miscellaneous" ...	The whole. Items classified as provincial in 1891-92.	7.—Excise ...	All ...	One-fourth.
VIII.—Assessed Taxes.	All, except "Tax on surplus profits of Railway Companies."	One-half.	10.—Assessed Taxes ...	All ...	One-half.
IX.—Forest ...	All ...	One-half.	11.—Forest ...	All ...	One-half.
X.—Registration ...	All ...	One-half.	12.—Registration ...	All ...	One-half.
	"Interest on loans to Municipalities and other public bodies (excluding Presidency Corporations)." "Interest on loans to land-holders and other notabilities." "Interest on advances to cultivators." "Interest on advances under Special Laws." "Interest on Government Securities."	The whole.	13.—Interest ...	"Interest on Provincial Advances and Loan Accounts." "District Post Collections"— "Subsidies" "Refunds" "Civil Offices of Account and Audit."	The whole. "Local Fund Establishment."
XII.—Interest ...			15.—Post Office ...	All other minor heads, except— "Currency Department," "Reserve Treasury," and "Allowance to Presidency Banks."	The whole.
XIII.—Post Office ...	"District Post Collections."	The whole.	18.—General Administration.		
XVIA.—Law and Justice—Courts of Law.	All ...	The whole.	19A.—Law and Justice—Courts of Law.	All ...	The whole.
XVIB.—Law and Justice—Jails.	All ...	The whole.	19B.—Law and Justice—Jails.	All ...	The whole.
XVII.—Police ...	All ...	The whole.	20.—Police ...	All ...	The whole.
XVIII.—Marine ...	All ...	The whole.	21.—Marine ...	All ...	The whole.
XIX.—Education ...	All ...	The whole.	22.—Education ...	All ...	The whole.
XX.—Medical ...	All ...	The whole.	24.—Medical ...	All ...	The whole.
XXI.—Scientific and other Minor Departments.	All ...	The whole.	25.—Political ...	All, except— "Refugees and State Prisoners" and the heads under which are recorded the expenditure at— Aden, Baroda, the Persian Gulf, and Berbera, Bulhar and Zaila.	The whole, except the charges for the Bacteriological Laboratory, Poona, and the salaries and allowances of officers on the cadre of the Civil Veterinary Department.
XXII.—Receipts in aid of superannuation, retired and compassionate allowances.	"Contributions for pensions and gratuities." "Miscellaneous" ...	The whole.	26.—Scientific and other Minor Departments.	All other minor heads, except— "Census" and "Preservation and translation of ancient manuscripts."	The whole.
XXIII.—Stationery and Printing.	All ...	The whole, except receipts for the value of supplies from Central Stores to Railways and to the Berar Administration, Local Funds, Municipalities, and other independent bodies.	29.—Superannuation Allowances and Pensions.	"Superannuation and Retired Allowances," "Covenanted Civil Service Pensions," "Compassionate Allowances," "Gratuities," "Refunds."	The whole.
	"Extraordinary items" ...	Items not in excess of Rs. 10,000.	30.—Stationery and Printing.	All, except "Stationery purchased for Central Stores." Extraordinary items ...	The whole. Items not in excess of Rs. 10,000. The whole.
	"Fees for Government Audits."	Items classified as Provincial in 1891-92.	32.—Miscellaneous ...	All other minor heads, except— "Charges for Remittance of Treasure," "Discount on Bills," and "Loss by Exchange." "Famine Relief Charges" ... Hyderabad-Umarkot Railway.	The whole. The whole.
XXV.—Miscellaneous.	All other minor heads except— "Gain by Exchange," "Prémia on Bills," "Unclaimed Bills of Exchange." "Recovery of Insurance and other charges on English Stores." "Revenue of Berbera and Bulhar," and "Revenue of Zaila."	The whole.	33.—Famine Relief ...		
XXVI.—State Railways.	Hyderabad-Umarkot Railway.	The whole.	38.—State Railways Working Expenses.		
XXX.—Minor Works and Navigation.	Gokák Canal, 1st Section, including Storage Works.	The whole.	37.—Construction of Railways.	All ...	The whole, except in cases in which the outlay is specially incurred from Imperial Funds. But Provincial expenditure under these heads is permitted only under special orders of the Government of India in regard to each Railway.
XXXII.—Civil Works Contributions ...	All ... Contributions from Local ...	The whole. The whole.	40.—Subsidized Companies.	"Land" ...	
			41.—Miscellaneous Railway Expenditure.	"Surveys" ...	
			43.—Minor Works and Navigation.	Gokák Canal, 1st Section, including Storage Works.	
			45.—Civil Works Contributions ...	All, except Opium, Salt, Mint, Currency, Post Office, Telegraph, and Baroda Residency buildings and Works on Somali Coast.	The whole.
				Contributions to Local ...	The whole.

NOTE.—In this Schedule the only heads considered are Imperial and Provincial heads; the Local Revenue and Expenditure are not affected by it. The Provincial share is calculated on the gross collection, including the portion due to Irrigation.

APPENDIX B.

Provincial Revenue and Expenditure by Major Heads for the years 1892-93, 1893-94 and 1894-95.

In Thousands of Rupees.

Number of Account Head.	Major Heads of Revenue.	Accounts, 1892-93.	Budget, 1893-94.	Revised, 1893-94.	Budget, 1894-95.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1892-93.	Budget, 1893-94.	Revised, 1893-94.	Budget, 1894-95.
	Land Revenue	91,33	92,80	94,34	94,29	1	Refunds and Drawbacks ... ..	2,16	1,79	2,11	1,97
	Provincial 4th share.	97,47	91,16	97,77	98,14	2	Assignments and Cash ... ..	14,88	15,18	15,29	15,44
	Alienated ...	77,55	77,32	77,47	71,82	3	Compensations. { Alienations ... ..	84,86	78,41	84,96	85,36
	Fixed allotment and adjustments.						Cash ... ..	57,86	57,82	56,87	59,72
						6	Alienations ... ..	7,72	7,88	7,88	7,86
III	Salt ... ..	57	57	57	57	7	Stamps ... ..	1,78	1,84	1,86	1,87
IV	Stamps ... ..	42,98	42,38	42,75	42,75	10	Excise ... ..	84	89	87	88
V	Excise ... ..	25,64	25,50	26,65	26,75	11	Assessed Taxes ... ..	25	26	26	26
VII	Customs ... ..	43	42	44	44	12	Forest ... ..	9,49	11,26	10,50	11,24
VIII	Assessed Taxes ... ..	17,67	17,82	17,20	17,64	13	Registration ... ..	1,39	1,41	1,46	1,48
IX	Forest ... ..	16,85	17,55	17,55	18,00	15	Interest on ordinary debt ... ..	2,05	2,20	2,15	2,27
X	Registration ... ..	2,85	2,85	3,09	3,14	18	Post Office ... ..	1,05	1,06	1,03	1,00
XII	Interest ... ..	2,59	2,62	2,90	3,00	19A	General Administration ... ..	13,68	13,94	13,80	14,44
XVIIA	Law and Justice—Courts of Law ... ..	4,31	4,07	4,30	4,26	19B	Law and Justice—Courts of Law ... ..	43,73	44,64	45,00	46,66
XVII B	Do. Jails ... ..	2,02	1,98	2,20	2,20		Do. Jails ... ..	6,47	6,85	6,65	6,94
XVII C	Police ... ..	5,13	3,95	4,17	3,98	20	Police ... ..	46,42	50,27	46,67	51,01
XVIII	Marine ... ..	66	70	64	64	21	Marine ... ..	4,88	4,97	4,93	4,92
XIX	Education ... ..	2,87	2,83	3,00	3,00	22	Education ... ..	88	42	45	64
XX	Medical ... ..	1,19	1,17	1,25	1,20	23	Education ... ..	16,42	17,41	16,84	18,11
XXI	Scientific and other Minor Departments.	28	22	26	21	24	Medical ... ..	14,22	15,16	15,06	16,23
XXII	Receipts in aid of superannuation, &c...	2,33	2,24	2,38	2,52	25	Political ... ..	3,29	3,53	3,53	3,87
XXIII	Stationery and Printing ... ..	69	65	66	69	26	Scientific and other Minor Departments.	1,60	2,12	1,70	2,30
XXV	Miscellaneous ... ..	82	67	94	1,06	29	Superannuation Allowances and Pensions.	16,06	16,41	16,71	17,07
XXVI	State Railways ... ..	64	1,40	1,30	1,40	30	Stationery and Printing ... ..	7,08	7,57	7,30	7,59
XXX	Irrigation ... ..	17	21	27	21	32	Miscellaneous ... ..	2,54	2,26	2,08	2,17
XXXII	Civil Works ... ..	8,03	7,88	8,30	8,28	33	Famine Relief ... ..	4	5	.....	.....
	Contributions from Local to Provincial.	1,44	1,81	1,81	1,78	37	Construction of Railways ... ..	4,22	63	83	80
						38	State Railways (Working Expenses) ... ..	64	1,00	1,05	1,10
						43	Irrigation ... ..	10	1,25	1,42	24
						45	Civil Works ... ..	35,17	36,49	34,54	33,39
							Contributions from Provincial to Local.	8,18	8,75	8,42	8,95
	Total ...	4,66,01	4,00,77	4,12,41	4,07,97		Total ..	4,08,40	4,13,62	4,12,21	4,26,48
	Opening Balance ... ..	40,70	35,58	38,31	38,51		Closing Balance ... ..	38,31	22,73	38,51	20,00
	Grand Total ...	4,46,71	4,36,35	4,50,72	4,46,48		Grand Total ...	4,46,71	4,36,35	4,50,72	4,46,48

## APPENDIX C.

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*Statement showing the Local Revenue and Expenditure under Bombay Act I of 1884 (including the cost of Collection of the Revenues assigned under Section 44 of the Act) for 1892-93, 1893-94 and 1894-95.*

In Thousands of Rupees.

Number of Account Head.	Major Heads of Revenue.	Accounts, 1892-93.	Budget, 1893-94.	Revised, 1893-94.	Budget, 1894-95.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1892-93.	Budget, 1893-94.	Revised, 1893-94.	Budget, 1894-95.
I	Land Revenue ...	1,63	1,61	1,66	1,69	1	Refunds and Drawbacks ...	17	8	8	8
VI	Provincial Rates ...	26,55	26,70	27,70	27,70	3	Land Revenue ...	3	3	1	4
XII	Interest ...	6	8	7	8	8	Provincial Rates ...	53	52	60	55
XVII	Police ...	3,10	3,12	3,28	3,28	14	Interest on other obligations ...	12	11	12	12
XIX	Education ...	1,72	1,57	1,77	1,77	18	General Administration ...	46	57	50	50
XX	Medical ...	4	4	5	4	20	Police ...	1,34	1,23	1,38	1,42
XXI	Scientific and other Minor Departments.	8	4	7	8	22	Education ...	14,48	15,13	14,76	15,45
XXV	Miscellaneous ...	26	29	25	25	24	Medical ...	1,86	1,37	1,50	1,51
XXXII	Civil Works.	6,10	5,13	6,17	5,91	26	Scientific and other Minor Departments ...	65	59	62	65
	Contributions ...	10,05	11,64	11,27	11,84	29	Superannuation ...	...	1	3	1
	Total ...	49,59	50,22	52,29	52,64	30	Stationery and Printing ...	3	8	5	9
	Debt, Deposits and Advances ...	29	...	...	...	32	Miscellaneous ...	69	76	67	71
	Opening Balance ...	29,48	26,15	27,05	27,85	45	Civil Works in charge of Civil Officers ...	11,54	14,75	13,76	14,91
	Grand Total ...	79,36	76,37	79,34	80,49		Do. in charge of Public Works Officers ...	12,82	10,69	12,75	12,12
							Contributions ...	4,35	4,70	4,66	4,67
							Total ...	52,07	50,62	51,49	52,83
							Debt, Deposits and Advances ...	24	...	...	...
							Closing Balance ...	27,05	25,75	27,85	27,66
							Grand Total ...	79,36	76,37	79,34	80,49

## Financial Statement of the Government of Bombay for the year 1895-96.

The main facts connected with the nature of the Provincial contract have been dealt with in the financial statements for the two past years, and it is unnecessary to recapitulate facts and figures with which Honourable Members are already sufficiently familiar. It will be sufficient to remind them that the present contract commenced in 1892-93, and that it is therefore at present in its fourth year, and that under its terms the Provincial Government were to receive from Imperial Revenues a fixed assignment of 77,14 adjusted under the land revenue head, and were bound in return to keep a minimum balance of 20 lakhs of rupees. The statement now submitted follows in the main the lines of those prepared in former years, the figures except where the sign Rs. is prefixed representing thousands of rupees.

2. The statement deals with the accounts of three years 1893-94, 1894-95 and 1895-96, for the first of which only the figures represent the actual revenue and expenditure; in the case of the second, the figures are taken from the revised estimates; and in that of the third the figures are those of the original Budget.

3. The financial results of 1893-94 are now to a certain extent a matter of ancient history; but they were in a way remarkable, and an examination of them at the present time when the fluctuating but general downward tendency of exchange and the exigencies of Imperial finance have proved productive of no slight anxiety and embarrassment to Government, leads to a certain amount of comparative satisfaction. In the revised estimates the revenue was estimated to exceed the expenditure by 20; but so gloomy did the outlook then appear to the Honourable Member in charge of the Financial Department that he appears to have had grave doubts as to whether this forecast would be realised and whether any surplus at all would remain. The figures now before us, however, show that, far from vanishing entirely, the surplus increased to 1,95 and that for the first time during the present contract the revenue was substantially in excess of the expenditure. As compared with the revised the totals on both sides of the account show a considerable decline for which the subtraction from both of them of a sum of 2,42 on account of the assessments on alienated lands is partly responsible. Making allowance for this, however, it appears that revenue remained practically the same while expenditure showed a considerable decrease, the savings under Assignments, Land Revenue and Civil Works largely exceeding expectations. On the whole, therefore, the results of 1893-94 were satisfactory. An examination, on the other hand, of the figures for 1894-95 does not furnish equal cause for gratification. It is true that ordinary revenue and

expenditure do not display any important fluctuations, for, as pointed out in paragraph 11 of the statement, had it not been for the disturbing elements there mentioned, there would have been a substantial surplus; but the reduction of the Provincial assignment by 5 60 and the prospect of an additional charge of 6,26 on account of exchange compensation allowance so crippled the Provincial finances that the minimum balance of 20 lakhs was only with difficulty maintained. So small, moreover, was the margin for savings in the expenditure that it seemed as if a substantial improvement in the position was impossible and as if a general curtailment of expenditure in the present year would be imperative. It is satisfactory, however, to be able to state that the financial condition is not as bad as it was anticipated it might or would be. The efforts of the Financial Department, seconded as they have been in the most loyal and efficient manner by officers throughout the Presidency, have resulted in such a substantial reduction of the expenditure that notwithstanding an increase in the exchange compensation allowance charges from 6,26 to 6,56, the revised estimates are no less than 10,39 below those originally fixed. If the Bombay Municipality had paid up the sum of rather more than two lakhs of rupees leviable from them under the orders of the Government of India, the savings in expenditure would have been proportionately increased. The closing balance for 1894-95 and the opening balance at the commencement of the present year may in consequence of this improvement in the position be taken for the present at 30,43. The task of bringing into equilibrium the revenue and expenditure so as to maintain the minimum balance has again been one of considerable difficulty. One of the disturbing elements has, it is true, disappeared, but the effects of the other have been intensified, as owing to a further decline in the exchange it has been found necessary to set apart a sum of no less than 7,80 for the payment of exchange compensation allowances. The result is that we find ourselves much in the same position as we were at this time last year. Expenditure promises to remain about the same, and though there is a reduction in the opening balance as compared with that of 1894-95, this falling off is counterbalanced by a corresponding increase in the revenue and consequently, as far as present figures show, the balance at the end of the year will, as it was last year, be slightly in excess of the minimum. Judging from the experience of 1894-95, it seems probable that Government in favourable circumstances may get through the year without being subjected to any severe financial difficulties, but it is impossible to speak with absolute certainty on the point. The revenue has been very liberally estimated while expenditure has been cut down to its lowest limit, with the result that whilst our income is not likely to be better than the estimates there is little prospect of any savings occurring in our outlay as calculated; and it is consequently doubtful whether the revised figures will show the same improvement which they have in the last two years. In the



absence of such improvement a curtailment of expenditure in 1896-97 will be inevitable.

## SECTION I.

### *Accounts of 1893-94.*

4. The actuals of 1893-94 are given and compared in detail with those of 1892-93 in the statement and review published by the Accountant General at pages 140 to 143 of the *Government Gazette* for February 14th, 1895. Their totals, as compared with the original and revised estimates for the same year, are given below :—

	Budget.	Revised.	Actuals.
Revenue ...	4,00,77	4,12,41	4,09,90
Expenditure...	4,13,62	4,12,21	4,07,95
	<u>—12,85</u>	<u>+20</u>	<u>+1,95</u>

The year opened with a balance of 38,31. The closing balance, which was originally estimated at 22,73, finally worked out to 40,26, notwithstanding an unforeseen charge of 3,56 which the grant of exchange compensation entailed on Provincial finance. The variations in the revenue were somewhat marked but were for the most part anticipated, when the revised estimates were framed. Those of most importance are noticed briefly below.

5. The heads of revenue under which there was a noticeable decline were IV—Stamps, 43, and VIII—Assessed Taxes, 60. The latter was anticipated and explained in paragraph 12 of last year's Financial Statement as being due to the stagnation in trade caused by the disturbance in exchange and the accumulation of surplus stocks in China, while the former was due to the expectation of a progressive increase in the sales of Court-fee stamps not being realized.

The chief increases on the other hand were the following :—

*I. Land Revenue.—4,93.* Of this, however, 4,19 was nominal and attributable to the causes specified in paragraph 8 of the Financial Statement for last year; it was counterbalanced by corresponding debits under 2 Assignments and Compensations, 3 Land Revenue, and 20 Police. The necessary adjustment was made in the accounts of 1892-93 after the preparation of the Budget for 1893-94, which accounts for the lowness of the estimate then framed. The Revised allowed for a nominal increase of 6,61 under this head, but this proved too high owing to a large falling off in the Hyderabad and Shikárpur districts, caused by a resurvey of the jágírdárs' lands and the imposition of assessment on cultivable lands only instead of as hitherto on the whole area of the jágírs, and to the lapse to Government of certain jágírs. The Provincial share of land revenue proper increased by 86, owing to revision survey operations, to the collection

of arrears and to the extension of rabi cultivation in Sind, but the increase did not come up to that (1,54) anticipated in the Revised. On the other hand, the Provincial allotment of land revenue, which was estimated in the Revised at 77,47, only came to 77,20, the additions to the contract allotment of 77,14 marginally noted being to a great extent counterbalanced by an item of 10 representing interest on the value of rails for the Hyderabad-Umarkot Railway and another of 22 on account of the transfer of the North-Western Railway Police in Sind to the Government of the Punjab from September 1893.

*V Excise.*—1,29. This was also anticipated to a great extent and was due to the recovery of arrears and to an increase in the receipts from still-head duty and from transit duty on opium.

*IX Forest.*—1,42, due to an unexpectedly large demand for firewood and charcoal on the part of the Southern Marátha and North-Western Railways, to the increased profits which have attended the introduction of the coupe system, and to larger receipts from grass and grazing. The Revised anticipated an increase of 20 on the Budget.

*X Registration.*—16, due to a good season and to the increasing appreciation of the advantages of registration. The increase anticipated in the Revised was 24.

*XII Interest.*—22, due to larger recoveries from the Ahmedabad Municipality owing to a change in the dates of the instalments and to larger receipts from interest on advances to cultivators due to larger sums having been advanced as takávi than were anticipated. The Revised allowed for an increase of 28.

*XVIB Law and Justice, Jails.*—16. The increase was mainly under Jail manufactures, and was less by 6 than the Revised, as the expectation that the Deccan Convict Gang would find employment on a proposed water-works project for Dhárwár was not realized.

*XVII Police.*—31, due mainly to adjustments on account of the value of stores returned to the Military Department. Of this 22 was anticipated in the Revised.

*XIX Education.*—20, due to a larger attendance of students at colleges and schools. Of this 17 was anticipated.

*XXV Miscellaneous.*—40, due to the credit to Provincial of a portion of the sale-proceeds of the Bhadgaon Farm and to sale-proceeds of nazars received at the Ahmedabad Darbár. The Revised anticipated 27.

*XXXII Civil Works in charge of Public Works Department.*—56, due chiefly to larger receipts on account of tolls, rents of buildings

Contribution for arrangements for the preparation of prices current...	5
On account of Indus survey ... ..	32
Repairs to Church at Steamer Point, Aden...	1
	<hr/>
	38

and sales of produce and old materials. In the Revised an increase of 42 was anticipated.

6. On the expenditure side there was a net saving of 5,66 which would have been much larger but for an unexpected increase of 7,75, of which 4,19 corresponded with the nominal increase in the assessment of alienated land already referred to, and 3,56 was, as already stated, due to the grant of exchange compensation allowance and was consequently distributed over most of the Provincial heads of expenditure. Of the items of increase the most important were—

*1 Refunds and Drawbacks.*—26, the whole of which was anticipated in the Revised and was due to larger charges connected with Land Revenue and Excise.

*2 Assignments and Compensations (alienations).*—4,23 due to the book increase above referred to.

*19A Law and Justice, Courts of Law.*—45, which was, to a great extent, anticipated in the Revised and was entirely due to the grant of exchange compensation allowance, but for which there would have been a saving of 72.

*29 Superannuation Allowances and Pensions.*—54, due to the gradual increase in these charges and in particular to the large reductions in the Survey Department.

The chief items of decrease on the other hand were—

*2 Assignments and Compensations (Cash).*—56, due as in 1892-93 to claims not having been preferred or arrears disbursed.

*3 Land Revenue.*—1,54, due mainly to (a) lapse of grant for the proposed new Collectorate in Sind, (b) gradual reduction of expenditure in the Survey Department, and (c) savings in the grant for allowances to village officers due to delay in the settlement of claims and to over-estimates of the increases arising out of revision settlements. Exchange compensation under this head was 56.

*11 Forest.*—95, due to large savings under A-I (b) "*Firewood and Charcoal*" in Sind, in demarcation charges in the Central and Southern Circles, and in miscellaneous charges.

*19 B Jails.*—23, which was partly allowed for in the Revised and was due to the grants for improving the warders' pay and for temporary establishments not being utilized.

*20 Police.*—3,39, which was anticipated in the Revised. The largest items were (a) under provision for the improvement of the District Executive Force, (b) Railway Police due to transfer of the Sind section of the North-Western Railway Police to the Punjab, (c) establishments and supplies and services.

*22 Education.*—69, of which, however, 53 was nominal and due to transfers to Public Works Department (35), and to the adjusting head "Contributions from Provincial to Local" (18), of funds for educational objects. Exchange compensation under this head was 20.

*26 Scientific and other Minor Departments.*—50, of which 42 was anticipated, and was mainly due to the transfer of the grant for the Reay Industrial Museum to the following year and to the post of Inspector of Factories remaining unfilled.

*30 Stationery and Printing.*—27, due to savings in the forwarding charges of the Presidency Stationery Office and smaller local purchases of stationery. The whole of this was anticipated in the Revised.

*32 Miscellaneous.*—27, due to savings under a variety of minor heads.

*45 Civil Works in charge of Public Works Department.*—2,80, due mainly to smaller expenditure on civil buildings and works of communication, the construction of which was, for various reasons, delayed.

*Contributions from Provincial to Local.*—41, which was rather more than that allowed for in the Revised and was almost entirely due to the grant for village sanitation not being fully utilized.

7. The net result was a surplus of 1,95 which raised the closing balance from 38,31 at the end of 1892-93 to 40,26 at the end of 1893-94.

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## SECTION II.

### *Revised Estimates of 1894-95.*

8. The Budget and Revised estimates for 1894-95 are compared below:—

RECEIPTS.				Number of Head of Account.	Heads.	Number of Head of Account.	EXPENDITURE.			
Budget.	Revised.	Better, that is, more than Estimate.	Worse, that is, less than Estimate.				Budget.	Revised.	Better, that is, less than Estimate.	Worse, that is, more than Estimate.
					Refunds and Drawbacks ...	1	1,97	1,99	...	2
					Assignments and { Cash ...	} 2	{ 15,44	15,11	33	...
					Compensations ... { Alienations.					
94,29	92,82	...	1,47		Land Revenue—					
					Provincial share of gross land revenue.	...	...	...	...	...
98,14	95,79	...	2,35		Alienations ...	...	...	...	...	...
71,82	71,34	...	48		Fixed allotment and adjustments.	...	...	...	...	...
					{ Cash ...	} 3	{ 59,72	57,21	2,51	...
					{ Alienations ...					
57	55	...	2	III	Salt ...	5		No expenditure.		
42,75	43,35	60	...	IV	Stamps ...	6	1,87	1,86	1	...
26,75	27,45	70	...	V	Excise ...	7	88	86	2	...
44	80	36	...	VII	Customs ...	9		No expenditure.		
17,64	17,87	3	...	VIII	Assessed Taxes ...	10	26	26	...	...
18,00	18,66	66	...	IX	Forest ...	11	11,24	10,70	54	...
3,14	3,12	...	2	X	Registration ...	12	1,48	1,43	5	...
3,00	3,03	3	...	XII	Interest... ..	13	2,27	2,29	...	2
No receipts				XIII	Post Office ...	15	1,00	1,02	...	2
...					General Administration ...	18	14,44	14,48	...	4
4,26	4,07	...	19	XVIA	Law and Justice—Courts of Law.	19A	46,66	46,00	66	...
2,20	1,78	...	42	XVIB	" Jails ...	19B	6,94	6,36	58	...
3,98	4,14	16	...	XVII	Police ... { Cash ...	} 20	{ 51,91	51,51	40	...
64	69	5	...	XVIII	Marine ... { Alienations... }					
3,00	3,03	3	...	XIX	Education ...	21	64	59	5	...
1,20	1,33	13	...	XX	Medical... ..	22	18,11	16,86	1,25	...
...					Political ...	24	16,23	15,30	93	...
21	21	...	...	XXI	Scientific and other minor Departments.	25	3,87	3,50	37	...
2,52	2,28	...	24	XXII	Superannuation Allowances and Pensions.	26	2,30	1,77	53	...
69	67	...	2	XXIII	Stationery and Printing ...	29	17,07	17,88	...	31
1,06	1,40	34	...	XXV	Miscellaneous ...	30	7,59	7,40	19	...
1,40	1,40	...	...	XXVI	State Railways... { Construction.	32	2,17	2,06	11	...
21	24	3	...	XXX	Irrigation ... { Working Expenses.	37	60	60	...	...
8,28	8,63	35	...	XXXII	Civil Works ...	38	1,10	1,10	...	...
1,78	1,81	3	...	...	Contributions from Local to Provincial and vice versa.	43	24	24	...	...
						45	33,39	33,94	...	55
						...	8,95	8,48	47	...
4,07,97	4,06,26	3,50	5,21	...	Total	...	4,26,48	4,16,09	11,41	1,02
38,51	40,26	...	...	Opening	Balance	Closing.	20,00	30,43	...	...

9. The above statement shows that taking the revenue as a whole the Revised is 1,71 worse than the Budget. This deficiency, however, is entirely nominal as it is due to a decrease of 2,35 in the assessment on alienated lands less quit-rent and is balanced by a corresponding diminution on the expenditure side. Excluding this item, the revenue promises to exceed the budget estimate by 64. The only heads under which there is an appreciable falling off as compared with the estimate are I Land Revenue, XVI A and B Courts of Law and Jails and XXII Superannuation allowances. The decrease under Land Revenue is due to a variety of causes besides that above mentioned, of which the most important are over-estimates of the enhancement due to revision settlements, large remissions in Sind owing to damage from floods, and a reduction in the Provincial allotment consequent on the transfer of the Sind section of the North-Western Railway Police to the Punjáb. Under XVI A Courts of Law the deficiency is chiefly in general fees, fines and forfeitures, while that under XVI B Jails is due to the non-employment of the Sind and Deccan gangs, to the abolition of the Dedargaon gang consequent on the completion of the Dedargaon Water-works, and to the stoppage of payment for the operations for the clearance of prickly-pear and famine weed at Bijápur. Under XXII Superannuation allowances the decrease is due to smaller contributions from officers on foreign service owing to several having reverted, retired or proceeded on furlough. The following are the principal heads under which an increase of revenue as compared with the original estimates is expected:—

IV.	Stamps	...	...	...	...	60
V.	Excise	...	...	...	...	70
VII.	Customs	...	...	...	...	36
IX.	Forest	...	...	...	...	68
XVII.	Police	...	...	...	...	16
XXV.	Miscellaneous	...	...	...	...	34
XXXII.	Civil Works	...	...	...	...	35

Under Stamps and Excise sufficient allowance was not made for the progressive character of the revenue, while under Customs, miscellaneous receipts, which form the larger part of the Provincial revenue under this head, are expected to increase owing to the re-imposition of the Tariff duties. Forest revenue has improved owing to the favourable nature of the season, to the high prices realized for timber, and to the profits which have attended the substitution of the coupe system for that of departmental fellings in the Northern and Central Circles. The increase under Police is principally due to larger punitive posts and under Miscellaneous, to a special receipt of 36 representing unclaimed estates of over 15 years' standing in the hands of the Administrator General. The increase under Civil Works is on account of revenue derived from tolls.

10. On the expenditure side, the only heads under which there is an appreciable excess over the budget estimate are 29 Superannuation Allowances and 45 Civil Works. Under the first head the increase is due to the gradual expansion of the pension list and

under the second to transfers of funds for departmental works.

The most important savings in the Revised were under the following heads:—

Assignments and Compensations (Cash)	...	33
Do. (Alienations)	...	2,41
Land Revenue (Cash) ...	...	2,51
Forest ...	...	54
Courts of Law ...	...	66
Jails ...	...	58
Police ...	...	40
Education ...	...	1,25
Medical ...	...	93
Political ...	...	37
Scientific and Minor Departments ...	...	53
Contributions ...	...	47

Most of these have been already explained in detail by the Accountant General in his Review published in the *Government Gazette* of 14th February 1895. The figures given above are based on later information and consequently differ in some cases from those given by the Accountant General, but the variations are unimportant except that under 20 Police which is explained below. It is to be noted that the savings would have been larger under nearly every head but for the continued fall in exchange which has rendered it necessary to raise the provision for exchange compensation allowance from 6,26 in the Budget to 6,56 in the Revised. Under Land Revenue the saving is due chiefly to the Budget estimates for District Administration and payments to district and village officers proving too high, to the non-introduction of the new circle inspectors' staff into the Kolaba district, and to the reduction in the Survey charges. The savings under Forest are chiefly in Sind owing to restricted operations consequent on a smaller demand for firewood for the railway and to better arrangements for its delivery. Under Courts of Law the saving was chiefly the result of the number of officers on duty being less than that budgetted for and to smaller expenditure on Allowances, Supplies and Services; and that under Jails to smaller charges for rations and to the provision for improving the pay of warders not being utilized. Under Police the saving originally anticipated was 2,07, but the non-recovery within the year of the Bombay Municipal contribution (which is taken as a deduction from expenditure) has reduced this figure to 40. Under Education the bulk (99) of the saving is due to transfers to the heads Contributions from Provincial to Local and Public Works for building purposes, the balance being due to smaller payments anticipated under Government Colleges and Schools. The deficiency under Medical is also to a certain extent nominal, as certain grants-in-aid to hospitals and dispensaries which used to appear under this head have been transferred to the head Contributions from Provincial to Local, but there are also savings in the provision for salaries. The expenditure under Scientific and Minor Departments will be reduced by the transfer of the grants for the Reay Industrial Museum at Poona and the new Surat farm to the Budget for 1895-96. The Revised under Contributions contains two items of 20 and 15 not entered in

the Budget on account of the grants-in-aid to dispensaries above mentioned and grants for Local Boards school buildings, but there is nevertheless a substantial saving which is due to the grant for village sanitation not being fully utilized.

11. The net result is to produce the deficit of 9,83 as compared with one of 18,51 as shown in the Budget. This large deficit is entirely due to two causes, the reduction of the Provincial allotment under I Land Revenue by 5,60 and the increase of expenditure by 6,56 caused by the grant of the exchange compensation allowance; but for these disturbing elements there would have been a surplus of 2,33.

### SECTION III.

#### *Budget Estimates for 1895-96.*

12. As in previous years the budget estimates for the current year have been framed mainly on the lines of the original estimates for 1894-95, although in view of the marked divergence between the original and revised estimates of that year and the critical condition of the finances special efforts have been made to exclude any provision for expenditure which is not likely to be utilized. The revenue is estimated at 8,48 above the Budget and 10,19 above the Revised for the past year, the increase being chiefly under the head of I Land Revenue, where it is partly due to the restoration of the provincial assignment to its original figure of 77,14 and partly to the enhancement of assessments consequent on the introduction of revision settlements. As has been already remarked the estimate is a liberal one and though at the present time it would be premature to say that it will not be reached, it is probable that in one district at least, that of Khandesh, the estimate has been unduly sanguine. The aggregate expenditure total is less by 24 than that provided for in the Budget for 1894-95, but this reduction is the result of a book adjustment on account of alienations, and if this mere paper transaction be excluded from consideration, the expenditure budgetted for gives an increase of 1,66, which is almost entirely attributable to the augmentation of the provision for exchange compensation allowance from 6,26 to 7,80. In other respects the budget follows in the main that for 1894-95, and affords but little material for comment. It may be noted however that it has been found possible to bring the Public Works assignment up to something like its normal figure (34,64) and that a provision of 1,37 has been made for the improvement of village sanitation and water-supply. After the Budget was framed later events indicated in March last a further improvement of the financial position of which advantage was taken by provisionally making lump additions of 21 and 38 to the grants for educational buildings and village sanitation and water-supply, it being then inconvenient to distribute the amount in greater detail. Transfers have since been made from these grants as stated in paragraphs 17, 37, 41 and 43 below.



The general result is shown below :—

	1894-95.		1895-96.	More than 1894-95.		Less than 1894-95.	
	Budget.	Revised.	Budget.	Budget.	Revised.	Budget.	Revised.
Opening Balance ...	35,51	40,20	30,48	...	...	8,08	9,63
Revenue ...	4,07,07	4,06,36	4,16,46	8,48	10,10	...	...
Expenditure ...	4,26,46	4,18,09	4,20,24	...	10,15	24	...
Surplus ...	...	...	...	...	...	...	...
Deficit ...	18,51	9,88	9,70	...	...	8,72	4
Closing Balance ...	20,00	30,43	20,64	64	...	...	9,78

The more important details are discussed under the various Major Heads in the following paragraphs.

*Refunds and Drawbacks—1.*

13. This is a head of expenditure only. The figures are given below :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Refunds and Drawbacks	1,87	2,16	2,05	1,97	1,99	1,94

Provincial revenues are debitible with a share of sums refunded under various revenue heads corresponding to their share of the receipts under the same heads as exhibited in Appendix A, the most important being those under Land Revenue, Stamps and Excise. The variation as compared with the Budget for 1894-95 is small and calls for no remark.

*Assignments and Compensations—2.*

14. This is also a head of expenditure only. The figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
<i>Assignments.</i>						
Cash ...	10,97	10,44	11,00	11,67	11,99	11,58
Alienations ...	77,35	84,86	82,64	85,36	82,95	83,44
<i>Compensations.</i>						
Cash ...	3,56	4,44	3,62	3,77	3,72	3,81
Total ...	91,88	99,74	97,26	1,00,80	98,06	98,83

Under Assignments the Provincial expenditure consists of cash allowances to inámdárs, district and village servants and officers, charitable and religious allowances and the assessment less quit-rent of alienated lands. The cash payments do not show any marked variation, but there is a marked decrease under Alienations which is due to a survey of jágghir lands in the Hyderabad and Shikárpur districts and the levy of assessment on cultivable lands only instead of, as heretofore, on the whole area of the jágghir, and to the lapse to Government of certain jágghirs owing to the death of the holders.

Under Compensations, the Provincial expenditure consists mostly of Salt, Opium and a share in Excise compensations, and is expected to be much the same as in 1894-95.

## I.—Land Revenue—3.

15. The figures under this head are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
<i>Revenue.</i>						
Provincial share ..	55,75	91,53	95,33	94,29	97,82	97,57
Contract assignment and adjustments ...	89,38	97,47	95,35	99,14	95,79	96,24
<b>Total ...</b>	<b>92,44</b>	<b>77,55</b>	<b>77,90</b>	<b>71,52</b>	<b>71,34</b>	<b>76,97</b>
<i>Expenditure.</i>						
Charges of District Administration ...	29,10	29,20	28,84	31,23	28,96	29,60
Survey and Settlement ...	7,78	7,05	5,82	5,58	5,31	5,25
Land Records and Agriculture ...	75	1,13	16,55	2,46	16,98	17,20
Allowances to District and Village Officers ...	26,20	28,20	13,15	28,11	15,89	13,95
<b>Total ...</b>	<b>63,83</b>	<b>65,58</b>	<b>64,16</b>	<b>67,58</b>	<b>66,09</b>	<b>65,00</b>

16. The revenue is made up of 3 items, viz., (1) the Provincial share of the divisible receipts, (2) alienations which are credited in full under this head and debited in full partly under Assignments and Compensations and partly under Land Revenue and Police, and (3) the contract and other assignments which are adjusted under this head by alterations in the Imperial and Provincial shares of the divisible revenue.

Under the first head an increase of 20,20 as compared with the Revised is anticipated, of which one-fourth will belong to Provincial revenues. The main causes of this large increase are revision survey settlements in the Presidency proper and extension of cultivation in Sind. The estimates of revenue under detail heads such as sales of land and occupancy rights, rents, grass and grazing, etc., do not vary much from those adopted for the Revised. The increase under the second item is also due to revision of settlements, but as already stated is counterbalanced by corresponding charges on the expenditure side.

The assignment fixed for the present contract is 77,11, to which have been added 11 for certain establishments and 19 for the survey of the river Indus. On the other hand 10 have been deducted on account of interest on the value of rails supplied by the Government of India for the Hyderabad-Umarkot Railway and 37 in connection with the transfer to the Government of the Punjab of the Police on the Sind section of the North-Western Railway.

17. The expenditure represents the cost of District Administration, including the collection of the Imperial as well as the Provincial share of the land revenue, under the following heads:—

(a) Charges of District Administration (Land Revenue Department).

(b) Survey and Settlement.

(c) Land Records and Agriculture.

(d) Allowances to District and Village Officers (excluding Village Police charges which appear under 20 Police).

The estimates under the first three items have been swollen by the extra charges on account of exchange compensation allowance which amount to 1,20 as against 98 provided in the Revised. The marked decline in the provision under (a) as compared with the Budget for 1894-95 is due to an account change by which a sum of 1,56 representing charges on account of circle inspectors' staff has been transferred to the head (c), producing consequently a corresponding excess in the Budget provision under that head. The estimates under (a) and (c) include provisions for pot pāhani in the Konkan and for the entertainment during part of the year of a Land Records staff in the Kaira District, and a sum of 3 has been transferred from the head "Contributions" on account of certain temporary establishments required after the Budget was framed. The allowances and contingent charges on account of village accountants and village servants useful to Government have been transferred with effect from 1893-94 from the head (d) to (c) to which they more appropriately belong, after the Budget for 1894-95 was passed. Hence the large variations under these two heads from the previous years' actuals.

### III.—Salt.

18. This is a head of receipt, consisting of fines, forfeitures and miscellaneous realizations, the latter comprising contributions from Port Funds and private individuals towards establishment and storage charges. The revenue under the other minor heads as well as the whole of the expenditure is Imperial. The figures are as under:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Fines and Forfeitures ...	3	3	7	2	1	1
Miscellaneous ...	54	54	52.7	55	54	53
Total ...	57	57	53.4	57	55	54

### IV.—Stamps—6.

19. Under this head Provincial shares with Imperial both revenue and expenditure in the proportion of  $\frac{3}{4}$  to  $\frac{1}{4}$ . The Provincial figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	40.86	42.98	41.95	42.75	43.35	43.35
Expenditure ...	1.66	1.78	1.83	1.87	1.86	1.87

The improvement shown in the Revised for 1894-95 is expected to be maintained in 1895-96. The Provincial receipts from the sale of court-fee stamps are exhibited below:—

1891-92	...	} Actuals	...	}	22,76
1892-93	...		...		24,16
1893-94	...		...		23,10
1894-95	...	} Budget	...	}	23,55
1895-96	...		...		24,24
					24,28

V.—Excise—7.

20. The division of revenue and expenditure between Provincial and Imperial is the converse of that under the last head. The Provincial figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	25,64	25,64	26,79	26,75	27,45	27,45
Expenditure ...	87	84	87	88	86	90

The receipts comprise license and other fees on foreign liquor, country liquor, toddy, opium, and fermented liquor, pass-fee duties on and gains on sale-proceeds of opium consumed in the Presidency, and fines, confiscations, &c. It does not include the pass-fee on opium exported to China, which is credited to II Opium, an Imperial head. The revenue is progressive and is expected to come up to the Revised of 1894-95. The slight increase in expenditure is due to the grant to village officers in some of the districts of the Southern Division of remuneration for the collection of tree-tapping fees.

VII.—Customs.

21. This resembles III Salt in being a head of receipt only. It comprises Warehouse and Wharf rents and some other petty realizations. The rest of the revenue and all the expenditure is Imperial. The Provincial figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Warehouse and Wharf rents ...	2	2	2	2	2	2
Miscellaneous ...	38	41	46	42	78	94
Total ...	40	43	48	44	80	96

The increase is due to the reimposition of customs duties and consequent rise in the transshipment fees levied on dutiable goods.

VIII.—Assessed Taxes—10.

22. This item is one of both revenue and expenditure, the Provincial share being in each case one-half, except in receipts from income-tax on surplus profits of Guaranteed Railway Companies, which are wholly Imperial. The figures are given below :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue—						
Salaries and Pensions ...	3,51	3,56	3,79	3,66	3,89	3,99
Profits of Companies ...	1,39	1,73	1,53	1,50	1,40	1,50
Interest on securities ...	97	1,01	1,07	1,06	1,11	1,02
Other sources of income ...	11,15	11,36	10,82	11,41	11,26	11,41
Other items ...	1	1	1	1	1	1
Total ...	17,03	17,67	17,22	17,64	17,67	17,93
Expenditure ...	26	25	27	26	26	26

The Budget estimate of revenue displays an increase of 19, as contrasted with the like estimate for 1894-95. The increase is entirely under the first head and is due to the expansive nature of the revenue and to the grant of exchange compensation allowance.

#### IX.—Forest—11.

23. Under this head also the revenue and expenditure are shared equally between Imperial and Provincial. The figures are as under :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	16,42	16,35	18,97	18,00	18,66	18,13
Expenditure ...	9,64	9,49	10,31	11,24	10,70	11,18

The decrease as compared with the Revised is due to a fall in the price of timber and myrabolams, and to a curtailment of operations in the Southern Circle. The variation in the expenditure is unimportant and needs no comment.

#### X.—Registration—12.

24. The revenue and expenditure are equally shared as under Forest. The figures are given below :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	2,69	2,85	3,01	3,14	3,12	3,12
Expenditure ...	1,50	1,39	1,44	1,48	1,43	1,45

The revenue is estimated at much the same figure as in 1894-95. The slight increase in expenditure as compared with the Revised is due to provision having been made for the improvement of the status of the Bombay establishment and for the opening of some new Sub-Registry Offices.

*XII.—Interest—13.*

25. For Provincial purposes the expenditure under this head consists of interest paid to the Government of India on Provincial Advance and Loan Account, that is, the sums placed from time to time at the disposal of the Local Government for making takávi advances and loans under the Land Improvement, Encumbered Estates, Tálukdárs and Local Authorities Loans Acts and other special Acts, and the receipts of the interest paid by the recipients of such loans and on Government securities held by the Local Government. The figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	2,33	2,59	2,84	3,00	3,03	3,03
Expenditure ... ..	1,79	2,05	2,19	2,27	2,29	2,52

The nature of the arrangements connected with the Provincial Loan and Advance Account has been sufficiently explained in the Financial Statement for the last two years.

Both revenue and expenditure tend to rise with the increase in the sums lent to Municipalities, Local Boards and cultivators. The excess in the Budget estimate over the Revised for 1894-95 is due to provision having been made for the payment of interest on loans to the Dhárwár Municipality and to the Local Boards of Dhárwár and Bijápur, applications for which have been receiving the consideration of Government.

26. Under the Provincial Loan and Advance Account a net sum of 7,79 has been placed by the Government of India at the disposal of this Government, in addition to which recoveries of advances made in previous years and estimated at 6,16 will also be available for making advances in 1895-96. The total sum of 13,95 is at present distributed as follows :—

	Rs.
Loans to cultivators ... ..	9,40
„ „ the Tálukdári Settlement Officer ... ..	35
„ „ Local and Municipal Boards.	4,20
	—————
Total ... ..	13,95
	—————

*Post Office—15.*

27. This head is, as far as Provincial is concerned, one of expenditure only and represents the cost of district posts maintained, chiefly for administrative purposes, in localities to which the Imperial Post has not yet been extended and of a subsidy paid

for the conveyance of mails by sea to the Konkan coast. The figures are given below:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
District Post Establishments ...	92	90	88	85	87	89
Subsidies ...	15	15	15	15	15	15
Total ...	1,07	1,05	1,03	1,00	1,02	1,04

The increase is due to a special provision of 3·5 for the development of the rural postal service.

#### General Administration—18.

28. This is a head of expenditure only and is almost entirely Provincial, the exception being the Account and Currency Departments and Allowances to Presidency Banks, which, allowing for a small account establishment maintained at the cost of Provincial Revenues for the audit of Local and Municipal Accounts, are Imperial charges. It includes charges on account of the salary and establishment of His Excellency the Governor, the Members of Council, the Commissioners, the Inspector-General of Jails, Registration and Stamps, the Secretariat offices, and Local Fund establishments in the offices of Collectors and the Accountant General. The figures are given below —

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Expenditure ...	13,62	13,68	13,77	14,44	14,43	14,36

There is a saving under this head due to the abolition of the post of Military Secretary to Government and the appointment of a third Civil Secretary on lower pay.

#### XVI A.—Law and Justice, Courts of Law—19 A.

29. This is a wholly Provincial head, including under receipts the realizations from escheated property, court-fees paid in cash, sundry miscellaneous fees, and general fees, fines and forfeitures. Under expenditure appears the whole cost of the judicial system of the Presidency from the High Court downwards. The figures are given below:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	4,07	4,31	4,20	4,26	4,07	4,14
Expenditure ...	43,95	43,73	45,09	46,66	46,00	47,51

The revenue figures do not call for any remark. The large increase in expenditure is almost entirely due to exchange compensation allowance, the charge for which amounts under this head to 2,45, the excess over the budget estimate for 1894-95 (2,01) being due to the reduction of the rate from 1s. 2d. to 1s. 1d.

*XVI B.—Law and Justice, Jails—19B.*

30. This head is also wholly Provincial. The figures are given below—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	2,19	2,02	2,14	2,20	1,78	1,95
Expenditure ...	6,36	6,47	6,62	6,94	6,36	6,94

The revenue is expected to exceed the Revised for 1894-95 as some employment has been found for the Sind and Deccan convict gangs. The expenditure includes provision for the compilation of a Jail Manual, for the appointment of a Superintendent to the New Central Prison at Hyderabad, and for an increase of the pay of the lowest grade Warders in the Central and District Prisons, Convict Gangs, and Yerrowda Reformatory School. In other respects it does not differ materially from the Budget for 1894-95.

*XVII.—Police—20.*

31. This is a head which, since the introduction of the current contract, has been entirely Provincial. The figures are as under :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	3,90	5,13	4,26	3,98	4,14	4,17
Expenditure—						
Cash ...	48,42	46,42	46,78	51,91	51,51	52,16
Alienations ...	3,83	4,88	4,97	4,92	4,96	4,96
Total ...	52,25	51,30	51,75	56,83	56,47	57,12

The receipts consist chiefly of recoveries from public bodies or individuals for police entertained wholly or in part at their charges and sundry miscellaneous items. The contribution paid by the Bombay Municipality does not appear as a receipt, being taken in reduction of the charges under the expenditure head. The revenue figures do not show much variation.

The budget figure of cash expenditure would have been larger by over 2 lakhs of rupees but for the deduction made on account of the expected recovery of short payments made in past years by the Bombay Municipality. Furthermore the provision for the North-West Railway Police in Sind dis-



appears owing to its transfer to Punjab. On the other hand, the Police re-organization schemes having been sanctioned, increased provision has been made as it is expected to maintain the full sanctioned strength. The expenditure includes provision also for the cost of a new Steam Launch for the Bombay Harbour Police and for the construction of wooden chaukis for the City Police.

*XVIII.—Marine—21.*

32. A wholly Provincial head. The figures are as under :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue .. ...	69	66	63	64	69	64
Expenditure ...	43	38	45	64	59	40

The increase in the Revised was due to a special non-recurring receipt of between 4 and 5. The shipping fees, which form the bulk of the revenue under this head, do not vary much from year to year. The decline in the expenditure is due to the absence of the special provision for repairs to S. S. "Jhelum" which was made in the Budget for 1894-95.

*XIX.—Education—22.*

33. A wholly Provincial head. The figures are given below :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	2,50	2,87	3,03	3,00	3,03	3,07
Expenditure ...	16,36	16,42	16,73	18,11	16,86	18,67

The revenue consists of receipts from school and college fees plus a small sum on account of municipal contributions towards the cost of schools and sundry miscellaneous items such as sale-proceeds of books and workshop receipts. The increase in the revenue is chiefly in fees from Government Colleges.

The expenditure includes the whole cost of the teaching and inspecting staff for the various Government Colleges and Schools and grants-in-aid to private institutions, but not grants-in-aid to Local Fund schools which appear under Contributions, nor charges on account of the construction and maintenance of educational buildings which are debited to Civil Works. In the estimates, however, it is found convenient to make provision to some extent for items of this description which are transferred to their proper account heads when the expenditure is actually incurred. In the estimates 8 have been entered for the improvement of the inspecting staff (2) and of several Government Schools (6), the results grant has been increased by 41, and an addi-

tional provision of 15 has been made for primary education under the sub-head "Payments in support of municipal schools."

34. The estimated expenditure of 18,67 shown above is in addition to 5,38 and 92 which have been provided under Contributions and Civil Works respectively and the sums noted in the margin which are provided under various other heads for purposes more or less directly connected with education, so that the total estimated expenditure on educational objects for 1895-96 will amount to 27,35, or 27,24 excluding the transfer referred to in paragraph 37.

2. Assignments and Com- pensations—Allowances to Dakshina Fellows ...	31
24. Medical—Medical Schools and Colleges ...	1,87
26. Scientific and other Minor Departments— Veterinary College, Bombay ...	22
Veterinary Class, Poona.	3
Donations to Scientific Societies ...	5
	2,38

#### XX.—Medical—24.

35. A wholly Provincial head. The figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	1,15	1,19	1,19	1,20	1,33	1,24
Expenditure ...	13,28	14,22	15,17	16,23	15,30	16,30

The receipts consist chiefly of Medical College fees, Hospital and Lunatic Asylum receipts and Contributions, and do not vary much from year to year. The excess in the Revised for 1894-95 is due to the payment of certain arrears due from the Bombay Port Trust.

The expenditure includes all charges for Civil Medical establishments in Bombay and the Mofussil excepting Aden and Kathiáwár where they are treated as Political, and on account of Government and grant-in-aid hospitals and dispensaries, lunatic asylums, medical schools and colleges, vaccination and sanitation. The increase in the estimate as compared with the Budget for 1894-95 is chiefly due to exchange compensation allowance which amounts to 96 as against 78 in the Revised for 1894-95. Provision has been made in the estimates for grants-in-aid of 3 and 1'6 to the Dufferin Hospital at Karachi and Morárbhái Vajbhukhandás Hospital at Surat, for the establishment of several new dispensaries including travelling dispensaries and for the ordinary grade promotions.

#### Political—25.

36. A head of expenditure only. The Provincial figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Expenditure ...	3,25	3,29	3,77	3,87	3,50	3,95

The Provincial charges relate to the Káthiáwár, Mahi Kántha, Pálanpur, Cutch, Southern Marátha Country and a few minor Agencies. Aden and Baroda charges are Imperial.

*XXI.—Scientific and other Minor Departments—26.*

37. Under this head the receipts are entirely Provincial. Expenditure also is entirely Provincial except charges for the preservation and translation of ancient manuscripts, establishments on the Civil Veterinary Department, and census charges. The Provincial figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	33	28	27	21	21	20
Expenditure ...	1,87	1,60	1,62	2,30	1,77	2,15

The revenue is chiefly derived from examination fees and is not expected to vary much from the figures of 1894-95.

The estimate for expenditure has, since the Budget was framed, been increased by a transfer of 11 from the head "Education, Building Grants," on account of an experimental farm at Surat, which brings the total up to 2,26 or equal approximately to the Budget for 1894-95. Provision has also been made for a grant of 17 to the Ray Industrial Museum at Poona and for an establishment for the prevention of glanders and farcy in the City of Bombay.

*XXII.—Superannuation—29.*

38. The minor heads, specified in Appendix A, under this main head are Provincial. The receipts consist of contributions from officers lent to Municipal and Local Funds or in Foreign service. The charges are almost entirely on account of superannuation and retired allowances paid in this country. The figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	2,36	2,33	2,42	2,52	2,28	2,35
Expenditure ...	15,53	16,06	16,95	17,07	17,38	17,89

There is an increase in the receipts from Local Fund officers due to additions to school establishments, which is more than counterbalanced by a decrease under "Officers on Foreign service," due to officers having reverted, retired, or proceeded on furlough. The estimate of expenditure has been based on the rate at which charges are at present increasing.

## XXIII.—Stationery and Printing—30.

39. This is another head which is mainly Provincial with the exception of the few minor heads excepted in Appendix A. Provincial receipts consist of sale-proceeds of Gazettes and other publications and payments for certain printing work done for Local Funds, Municipalities, &c. The expenditure represents the cost of the Stationery Office and the Government Presses and of stationery issued from the Central Stores and purchased locally. The figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	66	69	67	69	67	68
Expenditure ...	5,84	7,09	7,30	7,59	7,40	7,68

The small increase in the expenditure estimate is in the charges for compositors on piece-work and is the result of the growing demands of Government Departments on the Press for printing work.

## XXV.—Miscellaneous—32.

40. This head is partly Provincial and partly Imperial. The Provincial figures are :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	52	82	1,07	1,06	1,40	56
Expenditure ...	3,61	2,54	1,99	2,17	2,06	1,99

Both receipts and charges are of a somewhat fluctuating character. The decrease in the revenue estimate is due to the absence of certain special items which, like that explained in paragraph 9 above, swelled the revenue for the previous year. The decline in the expenditure is chiefly due to the reduction in the contribution paid by Government to the Bombay Municipality in consequence of the re-valuation of the rateable value of Government lands and buildings in Bombay City.

## Construction of Railways—37.

41. This is an expenditure head opened for the first time in 1891-92 in connexion with the construction of the Hyderabad-Umarkot Railway. The figures are given below :—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Expenditure ...	11,72	4,22	77	60	60	10

The decrease in the estimate is due to the fact that the provision of 50 for ballast and permanent way, which was made in the budget for 1894-95,

has been almost entirely cut out. Since the Budget was framed, the provision of 10 has been raised to 17 (by re-appropriation from the head "Contributions") to allow of the construction of an extra line to the engine-shed at Gidu Bandar, which was urgently required.

*XXVI.—State Railways—33.*

42. The receipts and working expenses of the Railway above mentioned are recorded under these heads:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	...	64	1,43	1,40	1,40	1,40
Expenditure ... ..	...	64	1,14	1,10	1,10	1,10

*XXX.—Irrigation—43.*

43. The receipts and charges on account of the Gokak Storage Works only are shown under these heads, transactions on account of other irrigational works in this Presidency being Imperial:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ... ..	17	17	31	21	24	24
Expenditure ... ..	38	10	1,38	24	24	62

The revenue estimate shows no variation. To the expenditure estimate 6 have since been transferred from the head "Contributions"; and out of the total 5 only is for working expenses, the balance being for capital charges, the most important of which is compensation for land, which is found to be permanently submerged by the water of the reservoir and has therefore to be acquired by purchase.

*XXXVII.—Civil Works—45.*

44. This head, so far as Provincial Revenues are concerned, includes receipts and expenditure by the Public Works Department and by Civil Officers in connexion with Provincial works of public improvement and communications, and with Departmental Buildings. The figures are:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
<i>By the Public Works Department.</i>						
Revenue ... ..	7,48	8,00	8,41	8,35	8,60	8,50
Expenditure ... ..	89,00	34,80	32,00	33,30	33,85	34,64
<i>By the Civil Department.</i>						
Revenue ... ..	3	3	3	3	3	3
Expenditure ... ..	22	37	9	9	9	9

The revenue is chiefly derived from tolls on roads, rents and sales of buildings, produce of trees, and sales of old material, tools and plant. The small increase in the revenue figures over the Budget for

1894-95 is due to an anticipated improvement in the toll receipts.

The allotment for expenditure is higher than the Budget figure for 1894-95, but that was materially affected for the worse by the contribution of 5,60 to the Imperial Exchequer. The present Budget provision is distributed as follows:—

*Original Works.*

Civil Buildings...	...	...	...	10,17
Communications	...	...	...	1,45
Miscellaneous Public Improvements	...	...	...	31
Reserve	...	...	...	99
Total				12,92

*Repairs.*

Civil Buildings...	...	...	...	3,94
Communications	...	...	...	8,62
Miscellaneous Public Improvements	...	...	...	24
Total				12,80
Establishment	...	...	...	8,44
Tools and Plant...	...	...	...	48
Grand Total				34,64

The provision under "Original Works" includes Rs. 5,73,655 for works already in progress and Rs. 7,18,645 for new original works. Under the former head the Head-quarter Police Buildings in Bombay, the City Police Lines at Poona, the protection of the Back Bay Foreshore, the reconstruction of the Harris Bridge at Dápuri, the Distillery at Godhra, Mámlatdars' Kacheris and Survey Record Buildings, the High School at Dhulia, and the Customs Preventive Officers' quarters at Kiamari have been provided for. The latter includes 1½ lákhs for minor works, and provides, among others, for new kacheris for Mámlatdárs, court-houses for Subordinate Judges, Police lines and offices, and quarters for subordinate medical officers in several districts, quarantine sheds to be constructed either at Trombay or Hog Island, additions to the Training College building at Dhárwár, a Debating Theatre and Library at the Deccan College, and improvements to the Light-House at Perim.

*Contributions.*

45. The figures are:—

	Actuals.			1894-95.		1896-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Revenue ...	2,97	1,44	1,84	1,78	1,81	1,79
Expenditure ...	9,11	7,13	8,34	8,96	8,48	8,84

The receipts consist chiefly of contributions made by Local Boards for the cost of establishments maintained under Bombay Act I of 1884 in the Revenue and Account Offices for Local Fund purposes and for the cost of Vaccination establishments. The variations are unimportant and call for no comment.

The expenditure includes a provision of 20 for grants-in-aid to certain dispensaries within Local Board limits hitherto debited against "24 Medical" and also the following items:—

{ Grants to schools in the Mofussil	... 5,38
{ Grants for sanitation and water-supply	... 1,53
{ Grants in lieu of one anna cess on excise	... 1,55

The second item has since been reduced to 1,37, out of which 22 may possibly be transferred for other objects if necessity arises.

#### SECTION IV.

##### *Incorporated Local Funds.*

46. There are three Incorporated Local Funds under the control of Government, viz., the Steam Boiler Inspection Fund, the Government Central Book Depot Fund and the Sind Village Officers' Cess Fund:—

	Actuals.			1894-95.		1895-96.
	1891-92.	1892-93.	1893-94.	Budget.	Revised.	Budget.
Steam Boiler In- spection Fund.	Revenue ...	49	43	43	44	46
	Expenditure...	22	55	29	33	36
Government Central Book Depot Fund.	Revenue ...	1,56	1,47	1,23	1,49	1,30
	Expenditure...	1,54	99	93	1,20	1,50
Sind Village Officers' Cess Fund.	Revenue ...	3,73	3,64	4,10	4,10	3,95
	Expenditure...	2,70	2,69	2,84	4,44	2,99

The Boiler Fund figures do not call for any comment.

The falling off in the revenue estimate of the Central Book Depot is due to an expected decline in the sales, while the increase in the expenditure is due to a special provision of 9.6 for the publication of certain Sanskrit works; the Revised for 1894-95 was high on account of charges for books which could not be printed and delivered during the preceding year.

Under the Village Officers' Cess Fund the anticipated increase in the revenue is due to the introduction of the irrigational settlement into the unsettled portions of certain talukas and to revised survey rates. The marked difference between the expenditure estimate and the Revised for 1894-95 is due to the fact that the scheme for the improvement of village establishments has received the sanction of the Secretary of State, and will be introduced in the course of the year.

47. The only other Incorporated Local Funds are those administered by the District and Taluka Local Boards constituted under Act I of 1884. An administration report giving full details of their working, revenue and expenditure is published annually, and as their financial operations are not controlled directly by Government and do not fall within the scope of Provincial finance, comment is not necessary. The figures of revenue and expenditure (including the cost of collection of the revenues assigned under Section 44 of Act I of 1884) will be found in Appendix O.

## SECTION V.

*Concluding Remarks.*

48. The scrutiny of the figures for the three years affords abundant proof of the correctness of the forecast made by the Financial member in 1893-94, that but for the heavy burden thrown on Provincial finances by the difficulties connected with exchange the task of adjusting the normal income of the Presidency to the normal expenditure would have been a comparatively easy one. Had it not been for these difficulties we should have had in the first two years an actual surplus and in the third a deficit of 1,99 only which with ordinary good fortune we might have expected to disappear later on in the year. As it is, owing to circumstances over which we had no control and which could not by any possibility have been foreseen, we have to face in the current year a deficit of 9,79, or in other words the estimated expenditure for 1895-96 exceeds by that amount the estimated income. It need hardly be said therefore that the position is one of great anxiety. Of course matters may improve. Exchange compensation allowance has been calculated at the low rate of 1s. 1d. and there is at present some prospect of that rate being exceeded temporarily at all events, though there is perhaps no subject in the world concerning which it would be more rash for any person to venture on a prediction than exchange and the course it will follow. Experience of past years tells us moreover that however careful the preparation of the expenditure estimates may be, and however close the scrutiny of the Financial Department, more money is usually provided than is usually spent, and there is consequently a considerable sum available or savings at the end of the year; but as already observed special precautions have been taken this year to bring the estimates into close correspondence with what the actuals humanly speaking will be, and any material saving on the estimated expenditure is hardly to be anticipated. Little if any bettering of the estimated aggregate revenue can be looked for. Unless therefore the unexpected happens—exchange improves materially, our expenditure estimates are by some unforeseen chance not worked up to, and our revenue progresses at a higher rate than we have at present any reason for supposing that it will do—it appears likely that when the time arrives for framing the Budget for 1896-97 the shears will have to be applied with painful vigour in the struggle to bring our expenditure within the limits of our available funds. But both these factors are so uncertain that it is impossible at this period of the year to anticipate their exact effect. All that can be said now is that there is perhaps some ground for hoping that we shall be able to frame our estimate for 1896-97 without being compelled to resort to a material reduction of our expenditure; but whether this hope will be realized time alone can show.

J. NUGENT.



## APPENDIX A.

REVENUE.			EXPENDITURE.		
1	2	3	4	5	6
Major head.	Minor heads.	Provincial share.	Major head.	Minor heads.	Provincial share.
I.—Land Revenue.	"Assessment of alienated lands less quit-rent." All other minor heads ...	The whole. One-fourth.*	1.—Refunds ...	The heads of which the corresponding receipts are wholly or partially Provincial.	The same share as in the case of the corresponding heads of receipt.
III.—Salt	"Rents of Warehouses." "Fines and forfeitures" "Miscellaneous" ...	The whole.	2.—Assignments and Compensations.	"Excise Compensations" ... All other heads except— "Goa Subsidy," "Salt Pans in Portuguese India," and "Customs Tariff Compensation."	One-fourth. The whole.
IV.—Stamps	All ...	Three-fourths.	3.—Land Revenue	All ...	The whole.
V.—Excise	All ...	One-fourth.	6.—Stamps	All ...	Three-fourths.
VII.—Customs	"Warehouse and Wharf rents." "Miscellaneous" ...	The whole.	7.—Excise	All ...	One-fourth.
VIII.—Assessed Taxes.	All, except "Tax on surplus profits of Railway Companies."	Items classified as provincial in 1891-92. One-half.	10.—Assessed Taxes	All ...	One-half.
IX.—Forest	All ...	One-half.	11.—Forest	All ...	One-half.
X.—Registration.	All ...	One-half.	12.—Registration	All ...	One-half.
XII.—Interest	"Interest on loans to Municipalities and other public bodies (excluding Presidency Corporations)." "Interest on loans to land-holders and other notabilities." "Interest on advances to cultivators." "Interest on advances under Special Laws." "Interest on Government Securities."	The whole.	13.—Interest	"Interest on Provincial Advances and Loan Accounts." "District Post Collections" "Subsidies" "Refunds" "Civil Offices of Account and Audit." All other minor heads except— "Currency Department," "Reserve Treasury," and "Allowances to Presidency Banks."	The whole. The whole.
XIII.—Post Office	"District Post Collections."	The whole.	15.—Post Office	All ...	The whole.
XVIA.—Law and Justice—Courts of Law.	All ...	The whole.	18.—General Administration.	All ...	The whole.
XVIB.—Law and Justice—Jails.	All ...	The whole.	19A.—Law and Justice—Courts of Law	All ...	The whole.
XVII.—Police	All ...	The whole.	19B.—Law and Justice—Jails	All ...	The whole.
XVIII.—Marine	All ...	The whole.	20.—Police	All ...	The whole.
XIX.—Education	All ...	The whole.	21.—Marine	All ...	The whole.
XX.—Medical	All ...	The whole.	22.—Education	All ...	The whole.
XXI.—Scientific and other Minor Departments.	All ...	The whole.	24.—Medical	All ...	The whole.
XXII.—Receipts in aid of superannuation, retired and compassionate allowances.	"Contributions for pensions and gratuities." "Miscellaneous" ...	The whole.	25.—Political	All, except— "Refugees and State Prisoners" and the heads under which are recorded the expenditure at— Aden, Baroda, the Persian Gulf, and Berbera, Bulhar and Zaila.	The whole.
XXIII.—Stationery and Printing.	All ...	The whole, except receipts for the value of supplies from Central Stores to Railways and to the Honor Administration, Local Funds, Municipalities, and other independent bodies.	26.—Scientific and Other Minor Departments.	All other minor heads, except— "Census" and "Preservation and translation of ancient manuscripts." "Superannuation and Retired Allowances," "Covenanted Civil Service Pensions," "Compassionate Allowances," "Gratuities," "Refunds."	The whole.
XXIV.—Miscellaneous.	"Extraordinary items" ... "Fees for Government Audits," All other minor heads except— "Gain by Exchange," "Premia on Bills," "Unclaimed Bills of Exchange." "Recovery of Insurance and other charges on English Stores." "Revenue of Berbera and Bulhar," and "Revenue of Zaila."	Items not in excess of Rs. 10,000. Items classified as Provincial in 1891-92. The whole.	29.—Superannuation Allowances and Pensions.	All ...	The whole.
XXV.—Miscellaneous.	All ...	The whole.	30.—Stationery and Printing.	All, except "Stationery purchased for Central Stores" Extraordinary items ...	The whole. Items not in excess of Rs. 10,000. The whole.
XXVI.—State Railways.	Hyderabad-Umarkot Railway.	The whole.	32.—Miscellaneous	All other minor heads, except— "Charges for Remittance of Treasure," "Discount on Bills," and "Loss by Exchange." "Famine Relief Charges" ...	The whole.
XXX.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works.	The whole.	33.—Famine Relief	All ...	The whole.
XXXII.—Civil Works.	All ...	The whole.	36.—State Railways Working Expenses.	All ...	The whole, except in cases in which the outlay is specially incurred from Imperial Funds. But Provincial expenditure under these heads is permitted only under special orders of the Government of India in regard to each Railway.
XXXIII.—Contributions	Contributions from Local	The whole.	37.—Construction of Railways.	All ...	The whole.
			40.—Subsidized Companies.	"Land" ...	The whole.
			41.—Miscellaneous Railway Expenditure.	"Surveys" ...	The whole.
			43.—Minor Works and Navigation.	Gokak Canal, 1st Section, including Storage Works.	The whole.
			46.—Civil Works	All, except Opium, Salt, Mint, Currency, Post Office, Telegraph, and Baroda Residency buildings and Works on Somah Coast.	The whole.
			Contributions ...	Contributions to Local	The whole.

## APPENDIX B.

*Provincial Revenue and Expenditure by Major Heads for the years 1893-94, 1894-95 and 1895-96.*

In Thousands of Rupees.

Number of Account Head.	Major Heads of Revenue.	Accounts, 1893-94.	Budget, 1894-95.	Revised, 1894-95.	Budget, 1895-96.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1893-94.	Budget, 1894-95.	Revised, 1894-95.	Budget, 1895-96.	
I	Land Revenue ...	Provincial share. ...	93,66	94,29	92,83	97,87	1	Refunds and Drawbacks ...	2,05	1,97	1,99	1,94
		Alienated ...	95,35	98,14	95,79	96,24	2	Assignments and Compensations. } Cash ...	14,62	15,44	15,11	15,39
		Fixed allotment and adjustments. ...	77,20	71,82	71,34	76,97	3	Land Revenue ... } Cash ...	56,42	59,72	57,21	58,96
							6	Land Revenue ... } Alienations ...	7,74	7,86	7,88	7,84
						7	Stamps ...	1,83	1,87	1,86	1,87	
						7	Excise ...	87	88	86	90	
						10	Assessed Taxes ...	27	26	26	26	
III	Salt... ..	53	57	55	54	11	Forest ...	10,51	11,24	10,70	11,18	
IV	Stamps ... ..	41,95	42,75	43,35	43,55	12	Registration ...	1,44	1,45	1,43	1,45	
V	Excise ... ..	26,79	26,75	27,45	27,45	13	Interest on ordinary debt ...	2,19	2,27	2,29	2,52	
VII	Customs ... ..	48	44	80	96	15	Post Office ... ..	1,03	1,00	1,02	1,04	
VIII	Assessed Taxes... ..	17,22	17,64	17,67	17,83	16	General Administration ...	13,77	14,44	14,48	14,36	
IX	Forest ... ..	18,97	18,00	18,66	18,13	18	Law and Justice—Courts of Law ...	45,09	46,66	46,00	47,51	
X	Registration ... ..	3,01	3,14	3,12	3,12	19A	Do. Jails ... ..	6,62	6,94	6,86	6,94	
XII	Interest ... ..	2,84	3,00	3,03	3,03	19B	Police ... } Cash ...	46,78	51,91	51,51	52,16	
XVIA	Law and Justice—Courts of Law ...	4,20	4,26	4,07	4,14	20	Do. } Alienations ...	4,97	4,92	4,96	4,96	
XVIB	Do. Jails ... ..	2,14	2,20	1,75	1,95	21	Marine ... ..	46	64	59	40	
XVII	Police ... ..	4,26	3,98	4,14	4,17	22	Education ... ..	16,73	18,11	16,88	18,67	
XVIII	Marine ... ..	63	61	69	64	23	Medical ... ..	15,17	16,23	15,30	16,30	
XIX	Education ... ..	3,03	3,00	3,03	3,07	24	Political ... ..	3,77	3,87	3,50	3,95	
XX	Medical ... ..	1,19	1,20	1,33	1,24	25	Scientific and other Minor Departments.	1,62	2,30	1,77	2,16	
XXI	Scientific and other Minor Departments.	27	21	21	20	26	Superannuation Allowances and Pensions.	16,95	17,07	17,38	17,89	
XXII	Receipts in aid of superannuation, &c... ..	2,42	2,52	2,28	2,35	29	Stationery and Printing ... ..	7,30	7,59	7,40	7,08	
XXIII	Stationery and Printing ... ..	67	69	67	68	30	Miscellaneous ... ..	1,99	2,17	2,06	1,99	
XXV	Miscellaneous ... ..	1,07	1,06	1,40	56	32	Construction of Railways ... ..	77	60	60	10	
XXVI	State Railways ... ..	1,43	1,40	1,40	1,40	37	State Railways (Working Expenses) ...	1,74	1,10	1,10	1,10	
XXX	Irrigation ... ..	31	21	24	24	38	Irrigation ... ..	1,59	24	21	62	
XXXI	Civil Works ... ..	8,44	8,28	8,63	8,53	43	Civil Works ... ..	33,69	33,49	33,91	34,73	
XXXII	Contributions from Local to Provincial.	1,84	1,78	1,81	1,79	45	Contributions from Provincial to Local	8,34	8,95	8,48	8,94	
	Total ...	4,09,90	4,07,97	4,06,26	4,16,45		Total ...	4,07,95	4,26,48	4,16,09	4,26,24	
	Opening Balance ...	33,31	38,51	40,26	30,13		Closing Balance ...	40,26	20,00	30,13	20,64	
	Grand Total ...	4,48,21	4,46,48	4,46,52	4,46,58		Grand Total ...	4,48,21	4,46,48	4,46,52	4,46,88	

APPENDIX C.

Statement showing the Local Revenue and Expenditure under Bombay Act I of 1884 (including the cost of collection of the Revenues assigned under Section 44 of the Act) for 1893-94, 1894-95 and 1895-96.

(In Thousands of Rupees)

Number of Account Head.	Major Heads of Revenue.	Accounts, 1893-94.	Budget, 1894-95.	Revised 1894-95.	Budget, 1895-96.	Number of Account Head.	Major Heads of Expenditure.	Accounts, 1893-94.	Budget, 1894-95.	Revised, 1894-95.	Budget, 1895-96.
I	Land Revenue ... ..	1,56	1,69	1,58	1,55	1	Refunds and Drawbacks...	7	8	9	8
VI	Provincial Rates ... ..	27,64	27,70	27,00	27,87	3	Land Revenue ... ..	...	4	1	2
XVII	Interest ... ..	8	7	8	7	8	Provincial Rates ... ..	59	55	55	60
XVIII	Police ... ..	3,26	3,28	3,26	3,26	14	Interest on other obligations ... ..	12	12	10	8
XIX	Education... ..	1,55	1,77	1,47	1,56	18	General Administration ... ..	47	50	47	56
XX	Medical ... ..	23	4	22	22	20	Police ... ..	1,35	1,42	1,43	1,47
XXI	Scientific and other Minor Departments ... ..	9	8	25	40	22	Education ... ..	14,81	15,45	15,24	16,00
XXV	Miscellaneous ... ..	22	25	15	21	24	Medical ... ..	1,36	1,51	1,70	1,89
XXXII	Civil Works ... ..	6,46	5,91	6,38	6,18	26	Scientific and other Minor Departments ... ..	63	65	68	85
	Contributions ... ..	11,32	11,84	11,52	11,79	29	Superannuation ... ..	3	1	3	3
						30	Stationery and Printing ... ..	7	9	10	8
						32	Miscellaneous ... ..	63	71	69	82
						45	Civil works in charge of Civil Officers ... ..	13,66	14,91	13,56	15,72
							Do. in charge of Public Works Officers ... ..	12,16	12,12	13,05	12,55
							Contributions ... ..	4,81	4,67	4,85	4,74
	Total ... ..	52,41	52,63	51,91	53,11		Total ... ..	50,76	52,83	53,15	55,49
	Debt, Deposits and Advances	31	...	...	...		Debt, Deposits and Advances.	40	...	...	...
	Opening Balance ... ..	27,05	27,85	28,61	27,37		Closing Balance ... ..	28,61	27,65	27,37	24,99
	Grand Total ... ..	79,77	80,48	80,52	80,48		Grand Total ... ..	79,77	80,48	80,52	80,48

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